

V. SINGHI & ASSOCIATES*Chartered Accountants*

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E-mail : kolkata@vsinghi.comWebsite: www.vsinghi.in**INDEPENDENT AUDITOR'S REPORT****To the Members of IOTA Mtech Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying Financial Statements of IOTA Mtech Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policy information and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 ICAI's 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 Financial Statements.



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

Information other than the Financial Statements and Auditor's Report Thereon ("Other Information")

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures thereto, but does not include the Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the Other Information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance including total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 Financial Statements, management and Board of Directors are 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 the



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Financial Statements in place and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

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 Financial Statements, including the disclosures, and whether the 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

The audit of Financial Statement for the year ended 31st March, 2024 included in the Financial Statements of the current year, prior to giving effect to the adjustment described in Note 34 to the Financial Statements relating to the restatement of the Company's Other Financial Assets, was carried out and reported by M/s B. Chhawchharia & Co., Chartered Accountants, who has expressed an unmodified conclusion vide their audit report dated 14th May, 2024. This report has been furnished to us and which has been relied upon by us for the purpose of our audit of the Financial Statements. We have reviewed the adjustment to reflect the effects of the restatement of the Company's Other Financial Assets as described in Note 34 to restate the Financial Statements for the year ended 31st March, 2024. In our conclusion, such adjustment is appropriate and has been properly applied. We further state that we were not engaged to audit, review or apply any procedures to the Financial Statements of the Company for the year ended 31st March, 2024 other than with respect to the above adjustment and accordingly, we do not express an opinion or review conclusion or any other form of assurance on the Financial Statements for the year ended 31st March, 2024.

Our conclusion is not modified in respect of this matter.



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

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 in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 Financial Statements;
 - 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;
 - c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid 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 are disqualified as on 31st March, 2025 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 Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
 - g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act (as amended), the Company has neither paid nor provided for any remuneration to its director during the current year.
 - h) 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:



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

- i. the Company does not have any pending litigations to disclose in the Financial Statements.
- ii. the Company did not have any long-term contract including derivative contract for which there were any material foreseeable losses
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2025.
- iv. (a) The management has represented, to the best of its knowledge and belief and as disclosed in Note 32 (iv) to the Financial Statements, no funds 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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, and as disclosed in Note 32 (v) to the Financial Statements, no funds have been received by the Company from any person or entity, including foreign entities ("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; and

(c) Based on our audit procedures performed 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) or (ii) of Rule 11(e) as provided under (a) or (b) above, contain any material misstatement.
- v. According to the information and explanations given to us, no dividend had been proposed by the company in the previous year, declared or paid by the Company during the year. Hence, the provisions of section 123 of the Act, are not applicable.



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year ended 31st March, 2025 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E



(SUNIL SINGHI)
Partner

Place: Kolkata
Date: 26th May, 2025

Membership No. 060854
UDIN: 25060854BMOURA4593

V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

Annexure - A to the Independent Auditor's Report

**Referred to in Paragraph-1 of Report on Other Legal and Regulatory Requirements
Section of our Report of even date to the members of IOTA Mtech Limited on the
Audit of Financial Statements for the year ended 31st March, 2025**

To the best of our information and explanations sought by us and provided to us by the Company and as per the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that:

- (i)
- a. 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 does not have any Property, Plant and Equipment. Accordingly, reporting under clause 3(i) (a), (b), (c), (d) and (e) of the Order is not applicable.
- 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 does not have any Intangible Assets. Accordingly, reporting under clause 3(i) (a), (b), (c), (d) and (e) of the Order is not applicable.
- (ii)
- a. According to the information and explanations given to us, the company is not required to maintain any inventory during the year and hence, reporting under clause 3(ii)(a) of the Order, is not applicable.
- 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 sanctioned any working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, at any point, during the period covered under our audit. Accordingly, reporting under clause 3(ii)(b) is not applicable.
- (iii)
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, during the year, has not provided any guarantee or security or any advances in the nature of loans secured or unsecured, to companies, firms, limited liability partnership or any other parties. The Company has granted unsecured loans to companies in respect of which the requisite information is disclosed as under. The Company has also made investments in companies.
- a. Based on the audit procedure carried on by us and as per the information and explanations given to us, the Company has granted unsecured loans to companies as under:-



V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

Particulars	Amount (Rs.in lakhs)
Aggregate amount granted/provided during the year	
- Others	46,120.00
Balance outstanding as at Balance sheet date in respect of above case	
- Others	18,371.00

- b. In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the loans given during the year are, prima facie, not prejudicial to the Company's interest;
- c. In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the schedule of repayment of principal and interest has been stipulated and the receipts of principal and interests are regular wherever due.
- d. According to the information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding for more than 90 days as at the balance sheet date.
- e. In our opinion and according to the information and explanations given to us, no loan has been granted which has fallen due during the current year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f. According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has not granted any loan or provided any guarantee or security to the parties covered under Section 185 of the Companies Act, 2013. Further, in our opinion, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of investments made and loans granted by it.



V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public under sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government of India, under Section 148(1) of the Act. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- 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 is regular in depositing the undisputed statutory dues including income tax and other material statutory dues applicable to it with the appropriate authorities. Further, there were no undisputed dues payable in respect of any material statutory dues which were in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable.
- (ix) a. According to the information and explanation given to us, during the course of our audit, the Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.
- b. According to the information and explanations given to us, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c. The Company has not obtained any term loans during the year and there is no unutilised term loan at the beginning of the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. According to the information and explanations given to us, and on an overall examination of the Financial Statements of the Company, the Company has not raised any funds on



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

short term basis during the year. Accordingly, clause 3(ix)(d) of the Order is not applicable.

e. The Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

f. The Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) a. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable.

b. According to the information and explanations given to us and based on our examination of the books and records, we report that the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3 (x)(b) of the Order is not applicable.

(xi) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company and in accordance with generally accepted auditing practices in India, no material case of fraud by the Company or on the Company has been noticed or reported during the year.

b. According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act 2013 has been filed during the year in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. According to the information and explanation given to us, the Company is not required to establish a Whistle Blower Mechanism as required under section 177(9) of the Companies Act, 2013. Accordingly, clause 3(xi)(c) of the Order is not applicable.

(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) According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.



V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

- (xiv) a. According to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b. The reports of the Internal Auditors for the year under audit were considered by us.
- (xv) The Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with directors during the period. Accordingly, Clause 3(xv) of the Order is not applicable.
- (xvi) a. With reference to Note 33 of the Financial Statements, the Company is engaged in the trading of raw cotton as its core business activity. However, during the year, the financial assets and financial income of the company temporarily constituted more than 50% of the total assets and total income, respectively, due to deployment of idle surplus funds. As such, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b. In view of and for the reason stated in Clause 3(xvi)(a) above, the company is not required to obtain a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3 (xvi)(c) of the Order is not applicable.
- d. In our opinion and according to the information and explanations provided to us, the Group does not have any Core Investment Companies (CICs) as part of the Group.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and no issues, objections or concerns were 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 realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, 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



V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

that any material uncertainty exists as on the date of the audit report indicating that 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) a. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing project. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b. According to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility pertaining to any ongoing project as at end of the current financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.



Place: Kolkata
Date : 26th May, 2025

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E


(SUNIL SINGHI)

Partner
Membership No. 060854
UDIN: 25060854BMOURA4593

V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph-2(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of IOTA Mtech Limited on the Financial Statements for the year ended 31st March, 2025)

Report on the Internal Financial Controls with reference to the aforesaid 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 Financial Statements of IOTA Mtech Limited ("the Company") as of 31st March, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Financial Statements criteria 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 Institute of Chartered Accountants of India ('ICAI'). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements both applicable to an audit of Internal Financial Controls. 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 with reference to Financial Statements were



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

established and maintained and whether 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 Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial controls with



V. SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

reference to 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 maintained, in all material respects, adequate internal financial controls with reference to the Financial Statements and such internal financial control with reference to the Financial Statements were operating effectively as at 31st March, 2025, based on the internal control with reference to the 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 Institute of Chartered Accountants of India.



Place: Kolkata
Date: 26th May, 2025

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Membership No. 060854
UDIN: 25060854BMOURA4593

Financial Statements and Independent Auditors' report

IOTA Mtech Limited

31 March 2025

IOTA Mtech Limited
Balance Sheet as at 31 March 2025
(All amount in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
ASSETS			
Non-current assets			
(a) Financial assets			
(i) Investments	3	5,107.18	5,097.50
(b) Deferred tax assets, (net)	4	2.39	2.43
		5,109.57	5,099.93
Current assets			
(a) Financial assets			
(i) Trade receivables	5	-	239.69
(ii) Cash and cash equivalents	6	1,568.86	405.52
(iii) Loans	7	18,371.00	11,751.00
(iv) Other financial assets	8	8,586.07	13,951.25
(b) Current tax assets (net)	9	-	58.51
(c) Other current assets	10	3.79	2.12
Total current assets		28,529.72	26,408.09
Total assets		33,639.29	31,508.02
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	5.00	5.00
(b) Other equity	12	33,576.93	31,488.75
Total equity		33,581.93	31,493.75
LIABILITIES			
Non-current liabilities			
(a) Provisions	13	6.03	-
		6.03	-
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	14		
(a) total outstanding dues to micro enterprises and small enterprises		1.30	-
(b) total outstanding dues of Creditors other than micro enterprises and small enterprises		0.08	1.33
(ii) Other financial liabilities	15	3.79	1.86
(b) Other current liabilities	16	0.94	3.24
(c) Provisions	17	9.42	7.84
(d) Current tax liabilities (net)	18	35.80	-
Total current liabilities		51.33	14.27
Total equity and liabilities		33,639.29	31,508.02

The accompanying notes 1 to 35 form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For V Singhi & Associates
Chartered Accountants
Firm's Regn. No. : 311017E

Sunil Singhi
Partner
Membership No. 060854
Place: Kolkata
Date: 26th May, 2025



For and on behalf of the board of directors
IOTA Mtech Limited

Yogesh Bangur
Director
(DIN: 02018075)
Place: Kolkata
Date: 26th May, 2025

Raj Kumar Toshniwal
Director
(DIN: 07801703)
Place: Kolkata
Date: 26th May, 2025

IOTA Mtech Limited
Statement of Profit and Loss for the year ended 31 March 2025
(All amount in ₹ lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
INCOME			
(a) Revenue from operations	19	1,149.62	752.27
(b) Other income	20	1,300.71	835.80
Total income		2,450.33	1,588.07
EXPENSES			
(a) Purchase of stock-in-trade	21	1,149.32	749.32
(b) Employee benefits expenses	22	58.80	36.31
(c) Finance costs	23	4.89	35.39
(d) Other expenses	24	93.58	285.21
Total expenses		1,306.60	1,106.23
Profit before tax		1,143.74	481.84
Tax expenses	25		
(a) Current tax		369.32	157.11
(b) Deferred tax		(2.20)	(0.21)
Total tax expenses		367.12	156.90
Profit after tax		776.61	324.94
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
- Share of profit/(loss) from LLP		1,304.94	4,557.62
- Fair valuation of equity instruments through other comprehensive income		9.68	-
- Remeasurement benefit of defined benefit plans		(0.81)	(0.10)
- Income tax relating to items that will not be reclassified to profit or loss		(2.44)	-
- Income tax on remeasurement benefit of defined benefit plans		0.20	0.02
Total other comprehensive income		1,311.57	4,557.54
Total comprehensive income for the year		2,088.18	4,882.48
Earnings per equity share	26		
Basic (₹)		1,553.22	649.88
Diluted (₹)		1,553.22	649.88

The accompanying notes 1 to 35 form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For V Singhi & Associates
Chartered Accountants
Firm's Regn. No. : 311017E

Sunil Singhi
Partner
Membership No. 060854
Place: Kolkata
Date: 26th May, 2025



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Raj Kumar Toshniwal
Director
(DIN: 07801703)
Place: Kolkata
Date: 26th May, 2025

IOTA Mtech Limited
Statement of Cash Flows for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2025 Amount	Year ended 31 March 2024 Amount
A. Cash flow from operating activities:		
Profit before tax	1,143.74	481.84
Adjustment for:		
Share of loss from partnership firm	82.12	265.46
Gain on sale of investments carried at fair value through profit or loss	(61.36)	-
Interest income on financial assets carried at amortised costs	(1,212.18)	(826.81)
Interest income on fixed deposit	(18.53)	(1.22)
Finance cost	4.89	35.39
Operating loss before working capital changes	(61.32)	(45.34)
Adjustment for:		
(Increase) / decrease in trade receivables	239.69	(147.30)
(Increase) / decrease in other assets	(1.67)	(1.60)
Increase/ (decrease) in provision	6.80	1.21
Increase/ (decrease) in trade payables	0.05	-
Increase/ (decrease) in other financial liabilities	1.93	(3.77)
Increase/ (decrease) in other liabilities	(2.30)	2.66
Cash used in operating activities	183.18	(194.14)
Income tax paid (net of refunds issued)	(279.91)	(286.47)
Net cash used in operating activities	(A) (96.72)	(480.61)
B. Cash flow from investing activities		
Purchase of investments	(10,493.26)	-
Sale of investments	10,554.63	-
Introduce of capital to partnership firm	-	(2.45)
Refund of capital to partnership firm	-	131.24
Loans given	(46,120.00)	(4,325.00)
Loan given, recovered	39,500.00	2,599.00
Interest received	1230.70	828.03
Capital/income distribution from LLP	6,588.00	2,066.54
Net cash generated from investing activities	(B) 1,260.07	1,297.36
C. Cash flow from financing activities		
Proceeds of borrowings	-	450.00
Repayment of borrowings	-	(910.00)
Finance cost paid	-	(30.52)
Net cash used in financing activities	(C) -	(490.52)
Net increase /(decrease) in cash and cash equivalents	(A+B+C) 1,163.34	326.23
Cash and cash equivalents as at the beginning of the year	405.52	79.29
Cash and cash equivalents as at the end of the year	1,568.86	405.52
Notes:		
(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".		
(ii) Cash and cash equivalents comprises of:		
Cash on hand	0.20	0.02
Balances with banks		
- In current accounts	169.22	3.32
Bank deposits with original maturity upto 3 months	1,399.44	402.18
	1,568.86	405.52
Add: Other bank balances		
	1,568.86	405.52

This is the Statement of Cash Flows referred to in our report of even date

For V Singh & Associates
Chartered Accountants
Firm's Regn. No. 311017E

Sunil Singhi
Partner
Membership No. 060854
Place: Kolkata
Date: 26th May, 2025



For and on behalf of the board of directors
IOTA Mtech Limited

Vogesh Bangur
Director
(DIN: 02018075)
Place: Kolkata
Date: 26th May, 2025

Raj Kumar Toshniwa
Director
(DIN: 07801703)
Place: Kolkata
Date: 26th May, 2025

IOTA Mtech Limited

Statement of Changes in Equity for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

A. Share capital

Equity share capital

Balance at the beginning of the year

Changes in equity share capital during the year

Balance at the end of the year

	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
Balance at the beginning of the year	5.00	5.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	5.00	5.00

B. Other Equity

Particulars	Reserves and surplus (Amount)	Other comprehensive income (Amount)				Total
	Retained Earnings	Share of gain(loss) from LLP	Remeasurement of defined benefit (liability)/asset	Equity instruments through Other comprehensive income	Deemed equity	
Balance as at 31 March 2023	17,468.84	8,639.29	(0.42)	-	498.56	26,606.27
Profit for the year	324.94	-	-	-	-	324.94
Items of other comprehensive income:						
- Share of profit from LLP (OCI portion)	-	4,557.62	-	-	-	4,557.62
- Remeasurement of defined benefit plans	-	-	(0.10)	-	-	(0.10)
-Tax on remeasurement of defined benefit plans	-	-	0.02	-	-	0.02
Adjustment for depreciation of Assets in LLP (refer note)	-	-	-	-	-	-
Balance as at 31 March 2024	17,793.78	13,196.91	(0.50)	-	498.56	31,488.75
Profit for the year	776.61	-	-	-	-	776.61
Items of other comprehensive income:						
- Share of profit from LLP (OCI portion)	-	1,304.94	-	-	-	1,304.94
-Fair valuation of equity instruments through other	-	-	-	9.68	-	9.68
- Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(2.44)	-	(2.44)
- Remeasurement of defined benefit plans	-	-	(0.81)	-	-	(0.81)
-Tax on remeasurement of defined benefit plans	-	-	0.20	-	-	0.20
Balance as at 31 March 2025	18,570.39	14,501.85	(1.11)	7.24	498.56	33,576.94

This is the Statement of Change in Equity referred to in our report of even date

For V Singhi & Associates

Chartered Accountants

Firm's Regn. No. : 311017E

Sunil Singhi

Partner

Membership No. 060854

Place: Kolkata

Date: 26th May, 2025



For and on behalf of the board of directors

IOTA Mtech Limited

Yogesh Bangur

Director

(DIN: 02018075)

Place: Kolkata

Date: 26th May, 2025

Raj Kumar Toshniwal

Director

(DIN: 07801703)

Place: Kolkata

Date: 26th May, 2025

IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

1 (a) Corporate Information

IOTA Mtech Limited ("the Company") is a public limited company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is a subsidiary of Kiran Vyapar Limited and is engaged in the business of trading in commodities and investments.

(b) Basis of preparation of standalone financial statements

The financial statements are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these standalone financial statements.

(Amounts in the standalone financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places).

(c) Presentation of standalone financial statements

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and noncurrent generally based on the criteria of realisation/ settlement within a twelve month period from the balance sheet date.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

(d) Material judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

1 (b) Basis of preparation of standalone financial statements (cont'd)

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

(e) Application of new accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules issued from time to time. For the Year ended 31st March 2025, MCA notified IND-AS 117- Insurance Contracts & amendments to IND-AS 116 - Leases, relating to sale and lease back transactions, applicable to the company w.e.f. April, 2024. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any impact in its financial statements.

On 7th May, 2025 MCA notified the amendments to IND AS-21-Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual period beginning on or after 1st April, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.



2 Material accounting policies

2.01 Revenue recognition

Interest income (Effective interest rate method)

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets net of upfront processing fees. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis. For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Trading income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

2.02 Financial instruments

Point of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as per the principles of the Ind AS. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts for as mentioned below:



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

2 Material accounting policies (cont'd)

2.02 Financial instruments (cont'd)

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

Subsequent measurement of financial liabilities

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are discounted exactly to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Subsequent measurement of financial assets

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets measured at fair value through profit or loss (FVTPL)

2 Material accounting policies (cont'd)

2.02 Financial instruments (cont'd)

(a) Financial assets measured at amortized cost:

A Financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect
- (ii) The contractual terms of the Financial asset give rise on specified dates to cash Flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

(b) Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt and equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Company has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and they are not held for trading. The Company has made such election on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

(c) Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Financial assets or financial liabilities held for trading:

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised as net gain on fair value changes in the Statement of Profit and Loss.

Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

2 Material accounting policies (cont'd)

2.02 Financial instruments (cont'd)

De-recognition:

(a) Financial asset:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the Financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

2 Material accounting policies (cont'd)

2.02 Financial instruments (cont'd)

(b) Financial liability:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2 Material accounting policies (cont'd)

2.03 Fair Value

The Company measures its financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

- Level 2 - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

• Level 3 - Those that include one or more unobservable input that is significant to the measurement as whole.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2 Material accounting policies (cont'd)

2.04 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venture or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2 Material accounting policies (cont'd)

2.05 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.06 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

2 Material accounting policies (cont'd)

2.07 Lease accounting

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset ('ROU') and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.



IOTA Mtech Limited**Summary of material accounting policies and other explanatory information**

(All amounts in ₹ lakhs, unless otherwise stated)

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

Presentation

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.08 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

2.09 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

2 Material accounting policies (cont'd)**2.10 Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.11 Property, plant & equipment**Measurement at recognition**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

Capital work-in-progress and capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of property, plant and equipments outstanding at each balance sheet date are disclosed as other non-financial assets.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Individual assets costing less than ₹ 5,000 are depreciated in full in the year of acquisition.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2 Material accounting policies (cont'd)

2.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



IOTA Mtech Limited

Summary of material accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

2.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
3 Investments		
(i) Investments in Equity Shares (Fair value through other comprehensive income)		
- Unquoted		
- Sidhidata Power Private Limited	45.68	36.00
(ii) Investments in others (At amortised cost)		
- Limited Liability Partnership (LLP)		
- Iota Mtech Power LLP	5,061.50	5,061.50
	5,107.18	5,097.50
4 Deferred tax assets (net)		
Deferred tax assets provision for employee benefits	4.83	2.43
Deferred tax liability on fair valuation of investments carried at fair value through OCI	(2.44)	
Deferred tax assets (net)	2.39	2.43

Movement in deferred tax assets for year ended 31 March 2024

Particulars	As at 01 April 2023	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2024
Deferred tax assets for deductible temporary differences on:				
Provision for employee benefits	2.20	0.21	0.02	2.43
Deferred tax assets	2.20	0.21	0.02	2.43

Movement in deferred tax assets for year ended 31 March 2025

Particulars	As at 01 April 2024	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2025
Deferred tax assets for deductible temporary differences on:				
Provision for employee benefits	2.43	2.20	0.20	4.83
Total	2.43	2.20	0.20	4.83
Deferred tax liability for taxable temporary differences on :				
Fair valuation of investments carried at fair value through OCI	-	-	(2.44)	(2.44)
Total	-	-	(2.44)	(2.44)
Deferred tax assets (net)	2.43	2.20	(2.24)	2.39



IOTA Mtech Limited
Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

		As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)	
5 Trade receivables				
Unsecured, considered good		-	239.69	
		-	239.69	
Ageing as on March 31, 2025				
Particulars	Unbilled Dues	Less than 6 months	6 months -3Years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-
(ii) Undisputed trade receivables- considered doubtful	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-
(iv) Disputed trade receivables- considered doubtful	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in c	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
	-	-	-	-
Ageing as on March 31, 2024				
Particulars	Unbilled Dues	Less than 6 months	6 months -3Years	Total
(i) Undisputed Trade receivables – considered good	-	239.69	-	239.69
(ii) Undisputed trade receivables- considered doubtful	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-
(iv) Disputed trade receivables- considered doubtful	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in c	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-
	-	239.69	-	239.69
6 Cash and cash equivalents				
Balances with banks				
- Current accounts		169.22	3.32	
- Deposits with original maturity upto 3 months (Including accrued interest)		1,399.44	402.18	
Cash on hand		0.20	0.02	
		1,568.86	405.52	
7 Loans				
To related parties (Refer note no. 24)		18,371.00	11751.00	
Unsecured, Considered Good		18,371.00	11,751.00	
Note: Loans to related party carries an interest rate of 7.75% p.a.				
8 Other financial assets				
Share of profit receivable from investment in LLP		8,586.07	13,951.25	
- Iota Mtech Power LLP		8,586.07	13,951.25	
9 Current tax assets (net)				
Current tax assets (net of provision amounting to Rs. 150.00 lakhs)		-	58.51	
		-	58.51	
10 Other current assets				
Prepaid expenses		-	0.10	
Advance to employee		3.25	1.50	
Balance with statutory & government authorities		0.54	0.52	
		3.79	2.12	



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount (Rs.)	Number	Amount (Rs.)
11 Equity share capital				
Authorized share capital				
Equity shares of Face value ₹ 10 each	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00
Issued, subscribed and fully paid up				
Equity shares of Face value ₹ 10 each	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	Number	Amount	Number	Amount
Equity Shares				
Balance at the beginning of the year	50,000	5.00	50,000	5.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	50,000	5.00	50,000	5.00

(b) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

	As at 31 March 2025		As at 31 March 2024	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each				
Kiran Vyapar Limited	50,000	100%	50,000	100%
	50,000	100%	50,000	100%

(d) Details regarding shareholding of Promoters :

Promoter Name	As at 31 March 2025			As at 31 March 2024		
	Number of Shares	% of total shares	% change during the year	Number of Shares	% of total shares	% change during the year
Equity shares of ₹10 each						
Kiran Vyapar Limited (Holding Company)	50,000	100.00%	-	50,000	100.00%	-
	50,000	100.00%	-	50,000	100.00%	-

(e) Terms/ rights attached to equity shares

Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
12 Other equity		
Retained earnings :		
Surplus (Balance in Statement of Profit and Loss)		
Balance Brought Forward from Last Year's Account	17,793.78	17,468.84
Profit for the Year	776.61	324.94
Balance carried forward to next year (A)	18,570.39	17,793.78
Other Comprehensive Income :		
Fair value of equity instruments		
Opening Balance	-	-
Fair valuation of equity instruments through other comprehensive income	9.68	-
Income tax relating to items that will not be reclassified to profit or loss	(2.44)	-
Closing balance (a)	7.24	-
Remeasurement of defined benefit plans		
Opening Balance	(0.50)	(0.42)
Add: Remeasurement of defined benefit plans	(0.81)	(0.10)
Less: Tax on remeasurement of defined benefit plans	0.20	0.02
Closing balance (b)	(1.11)	(0.50)
Share of gain(loss) from LLP		
Opening Balance	13,196.91	8,639.29
Add: Share of profit/(loss) from LLP	1,304.94	4,557.62
Closing balance (c)	14,501.85	13,196.91
Total Other Comprehensive Income (a+b+c) (B)	14,507.98	13,196.41
Deemed equity		
Opening Balance	498.56	498.56
Balance carried forward to next year (C)	498.56	498.56
Total (A+B+C)	33,576.93	31,488.75

Description of nature & purpose of each reserve:

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of financial instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off, if any.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income.

Deemed equity

This represents adjustment of interest free loan from the holding company.

13 Provisions

Non-current

Provision for employee benefits:

- Gratuity (refer note 22)

6.03	-
6.03	-



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
14 Trade Payables		
(a) total outstanding dues to micro enterprises and small enterprises	1.30	-
(b) total outstanding dues of Creditors other than micro enterprises and small enterpri	0.08	1.33
	1.38	1.33

Trade Payables ageing schedule

Ageing as on March 31, 2025						
Particulars	Outstanding for following periods from due date of payment (Amount)					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Refer note below)	1.30	-	-	-	-	1.30
(ii) Others	0.08	-	-	-	-	0.08
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	1.38	-	-	-	-	1.38

Ageing as on March 31, 2024						
Particulars	Outstanding for following periods from due date of payment (Amount)					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Refer note below)	-	-	-	-	-	-
(ii) Others	1.33	-	-	-	-	1.33
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	1.33	-	-	-	-	1.33

Note:

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2025 and March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	31 March 2025 (Amount)	31 March 2024 (Amount)
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year.		
Principal	1.38	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
15 Other financial liabilities		
Dues to employees	3.79	1.86
	3.79	1.86
16 Other current liabilities		
Statutory dues payable	0.94	3.24
	0.94	3.24
17 Current		
Provision for employee benefits:		
- Gratuity (refer note 22)	9.42	7.84
	9.42	7.84
18 Current tax liabilities (net)		
Current tax liabilities (net of advance tax & TDS amounting to Rs. 279.20 lakhs)	35.80	-
	35.80	-



	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
19 Revenue from operations		
Sale of products (cotton bales)	1,149.62	752.27
	1,149.62	752.27
20 Other income		
Interest income:		
- On financial assets carried at amortised costs	1,212.18	826.81
- On bank deposits	18.53	1.22
Gain on sale of investments carried at fair value through profit or loss	61.36	-
Discount received	8.64	7.77
	1,300.71	835.80
21 Purchase of stock-in-trade		
Purchase of cotton bales	1,149.32	749.32
	1,149.32	749.32
22 Employee benefits expenses		
Salaries and wages	58.48	35.91
Staff welfare expenses	0.32	0.40
	58.80	36.31

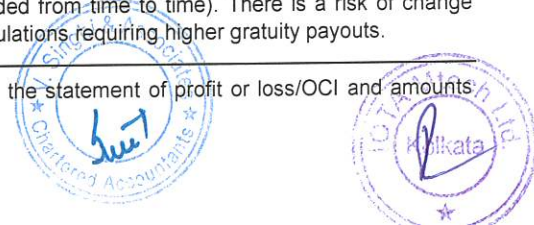
(a) Defined benefits plans - Gratuity (unfunded)

Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method.

Aforesaid defined benefit plans typically expose the Company to actuarial risks such as Pay as you go risk, Interest Rate risk, Liquidity Risk, Salary Escalation Risk, Demographic Risk and Regulatory Risk.

Pay as you go risk	For unfunded schemes, financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Interest Rate risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity Risk	This is the risk that the Company will not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time
Salary Escalation Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic Risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory Risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the Balance Sheet for the respective plans:



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
22 Employee benefits expenses (cont'd)		
(a) Defined benefits plans - Gratuity (unfunded) (cont'd)		
(i) Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	7.83	6.62
Current service cost	1.88	0.68
Interest cost	0.55	0.43
Net Acquisition	4.38	-
Actuarial (gain)/loss arising from assumption changes	0.19	-
Actuarial loss arising from experience adjustments	0.62	0.10
Projected benefit obligation at the end of the year	15.45	7.83
(ii) Bifurcation of projected benefit obligation		
Current	9.42	7.84
Non-current	6.03	-
	15.45	7.84
(iii) Components of net cost charged to the Statement of Profit and Loss		
Employee benefits expense:		
- Current service costs	1.88	0.68
Finance costs		
- Interest costs	0.55	0.43
Net impact on profit before tax	2.43	1.11
(iv) Components of net cost charged taken to Other comprehensive income		
Actuarial (gain)/loss arising from assumption changes	0.19	-
Actuarial (gain)/loss arising from experience adjustments	0.62	0.10
	0.81	0.10
(v) Key actuarial assumptions		
Discount rate	6.79%	6.97%
Salary growth rate	8.00%	8.00%
Attrition Rates, based on age (% p.a.)	2%	2%
Retirement age	58 years	58 years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14



IOTA Mtech Limited
Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

22 Employee benefits expenses (cont'd)
(a) Defined benefits plans - Gratuity (unfunded) (cont'd)
(vi) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
DBO with discount rate + 1%	14.49	7.84
DBO with discount rate - 1%	16.64	7.84
DBO with + 1% salary escalation	16.63	7.84
DBO with - 1% salary escalation	14.48	7.84
DBO with + 50% withdrawal rate	15.33	7.84
DBO with - 50% withdrawal rate	15.60	7.84
DBO with + 10% mortality rate	15.44	7.84
DBO with - 10% mortality rate	15.47	7.84

Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

(vii) Maturity analysis of the benefit payments:

Weighted average duration of the gratuity plan is 8 years (31 March 2024 - 1 year). Expected benefits payments for each such plans over the years is given in the table below:

Particulars	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
Year 1	9.42	7.84
2 to 5 years	0.52	-
6 to 10 years	0.88	-
More than 10 years	21.87	-

23 Finance costs

Interest on others	4.89	4.44
Interest on unsecured loans	-	30.95
	4.89	35.39

24 Other expenses

Share of profit/(loss) from investment in LLPs		
- IOTA Mtech Power LLP	82.12	265.46
- Sidhidata Power LLP	-	2.45
Rates and taxes	0.05	0.05
Corporate social responsibility expenses [refer note (a) below]	6.50	4.78
Legal and professional	1.56	1.17
Brokerage and commission	0.29	0.15
Discount allowed	-	3.19
Transportation charges	-	6.44
Auditor's remuneration [Ref note (b) below]	1.42	1.36
Miscellaneous expenses	1.64	0.16
	93.58	285.21



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
(a) Corporate Social Responsibility expenditure		
Disclosure in respect of CSR expenses under section 135 of the Companies Act, 2013 and Rules thereon:		
(a) Gross amount required to be spent by the Company during the year	6.28	4.76
(b) Amount spent during the year on:		
(i) Construction/ acquisition of an asset	-	-
(ii) On purpose other than (i) above	6.50	4.78
(c) Shortfall / (excess) at the end of the year	(0.22)	(0.02)
(d) Total of previous years shortfall / (excess) -(cumulative)	(1.15)	(0.92)
(e) Reason for shortfall	Not applicable	Not applicable
(f) Nature of CSR activities	Medical Equipment	Promotion of Sports & Games
(g) Details of related party transactions	Nil	Nil
(h) Provision is made with respect to a liability incurred by entering into a contractual obligation	Nil	Nil
(b) Auditor's remuneration		
Statutory audit	1.42	1.36
Others	-	-
	1.42	1.36



IOTA Mtech Limited
Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2025 (Amount)	Year ended 31 March 2024 (Amount)
25 Tax expense		
(a) (i) Profit or Loss section :		
Current tax [includes Rs. 54.32 lakhs (P.Y. Rs. 7.11 lakhs) in respect of earlier	369.32	157.11
Deferred tax	(2.20)	(0.21)
	367.12	156.90
(ii) Other Comprehensive Income (OCI) section:		
- Items not to be reclassified to profit or loss in subsequent periods :		
On Fair valuation on investments	(2.44)	-
On remeasurement of defined benefit plans	0.20	0.02
Income tax expense reported in Other Comprehensive Income	(2.24)	0.02
Total Income tax expense reported (i+ii)	364.88	156.92
(b) Reconciliation of income tax provision to the amount computed by applying the statutory tax rate:		
The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.17% for both financial years ended 31 March 2025 and for 31 March 2024 respectively and the reported tax expense in the Statement of Profit or Loss are as follows:		
Profit before tax	1,143.74	481.84
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	287.86	121.27
Effect of Income exempted from tax	-	-
Effect of losses not taxed	-	-
Other adjustments	79.26	35.63
Total income tax expense as per the statement of profit and loss	367.12	156.90
26 Earnings per equity share (EPS)		
Net profit attributable to equity shareholders (A)	776.61	324.94
Weighted average number of equity shares outstanding during the year (B)	50,000	50,000
Face value per share (in ₹)	10.00	10.00
Earnings per share (in ₹):		
- Basic earnings per equity share (A/B)	1,553.22	649.88
- Diluted earnings per equity share (A/B)	1,553.22	649.88



27 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2025

(a) List of related parties

Relationship	Name of the entity
Holding Company	Kiran Vyapar Limited
Entity under common control	IOTA Mtech Power LLP
Enterprises over which Holding Company exercises control / significant influence	Placid Limited Maharaja Shree Umaid Mills Limited
Enterprises over which key management personnel and relatives of such personnel exercise significant influence	M B Commercial Co. Limited (Refer note 33 & 34) Sidhidata Power Private Limited (Formerly Sidhidata Power LLP) The Peria Karamalai Tea Produce Co. Limited
Key management personnel	Bhaskar Banerjee - Director Yogesh Bangur - Director Rajiv Kapasi - Director Rajkumar Toshniwal - Director

(b) Transactions with related parties

Particulars	Party Name	For the year Ended	Parent Company (Amount)	Other Related Parties (Amount)	KMP and close relatives(excluding Directors) (Amount)	Directors and close relatives (Amount)
I. TRANSACTIONS DURING THE YEAR:						
Loans taken	The Peria Karamalai Tea Produce Co	2024-25	-	-	-	-
		2023-24	-	450.00	-	-
Loan refund	The Peria Karamalai Tea Produce Co	2024-25	-	-	-	-
		2023-24	-	910.00	-	-
Loans Given	Placid Limited	2024-25	-	23,320.00	-	-
		2023-24	-	4,325.00	-	-
	Maharaja Shree Umaid Mills Limited	2024-25	-	22,800.00	-	-
		2023-24	-	-	-	-
	IOTA Mtech Power LLP	2024-25	-	-	-	-
		2023-24	-	235.00	-	-
Loans Given repaid	Placid Limited	2024-25	-	21,775.00	-	-
		2023-24	-	2,599.00	-	-
	Maharaja Shree Umaid Mills Limited	2024-25	-	17,725.00	-	-
		2023-24	-	-	-	-
	IOTA Mtech Power LLP	2024-25	-	-	-	-
		2023-24	-	235.00	-	-
Interest Income	Placid Limited	2024-25	-	1022.88	-	-
		2023-24	-	826.81	-	-
	Maharaja Shree Umaid Mills Limited	2024-25	-	189.29	-	-
		2023-24	-	-	-	-
	IOTA Mtech Power LLP	2024-25	-	-	-	-
		2023-24	-	0.44	-	-
Interest Expenses	The Peria Karamalai Tea Produce Co	2024-25	-	-	-	-
		2023-24	-	30.95	-	-
Share of profit/(loss) from LLP	IOTA Mtech Power LLP	2024-25	-	1222.82	-	-
		2023-24	-	4199.96	-	-
Reimbursement of expenses	Maharaja Shree Umaid Mills Limited	2024-25	-	0.28	-	-
		2023-24	-	0.03	-	-
Rent and electricity expenses	Maharaja Shree Umaid Mills Limited	2024-25	-	0.09	-	-
		2023-24	-	0.09	-	-
Sale of goods	Maharaja Shree Umaid Mills Limited	2024-25	-	1149.62	-	-
		2023-24	-	752.27	-	-



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

27 Related party disclosures (cont'd)

(c) Balances of related parties:

Particulars	Party Name	For the year Ended	Parent Company (Amount)	Other Related Parties (Amount)	KMP and close relatives(excluding Directors) (Amount)	Directors and close relatives (Amount)
Loan Given including interest receivable	Maharaja Shree Umaid Mills Limited	2024-25	-	5075.00	-	-
		2023-24	-	-	-	-
	Placid Limited	2024-25	-	13,296.00	-	-
		2023-24	-	11751.00	-	-
Investments in others	IOTA Mtech Power LLP	2024-25	-	5061.50	-	-
		2023-24	-	5061.50	-	-
Investments in unquoted equity shares	Sidhidata Power Pvt Ltd	2024-25	-	45.68	-	-
		2023-24	-	36.00	-	-
Other receivables	IOTA Mtech Power LLP	2024-25	-	8,586.07	-	-
		2023-24	-	13,951.25	-	-
Trade Receivables	Maharaja Shree Umaid Mills Limited	2024-25	-	-	-	-
		2023-24	-	239.69	-	-



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

28 Ratios

	Particulars	As at 31st March, 2025 (Amount)		As at 31st March, 2024 (Amount)		% Change in Ratios	Reasons of % change beyond 25%
i)	Current Ratio (in times) (Total Current Assets / Total Current Liabilities)	28,529.72	555.86	26,408.09	1851.02	-69.97%	Due to increase in current assets
	Total Current Assets	51.33		14.27			
	Total Current Liabilities						
ii)	Debt - Equity Ratio (in times) (Total Debt / Shareholder's Equity)	-	-	-	-	0.00%	Not Applicable
	Total Debt	33,581.93		31,493.75			
	Shareholder's Equity						
iii)	Debt Service Coverage Ratio (in times) (Earnings available for Debt Service / Debt Service)	1,148.63	234.74	517.23	14.62	1506.18%	Due to increase in EBIDTA compared with
	Earnings available for Debt Service	4.89		35.39			
	Debt Service						
iv)	Return on Equity (%) (Net Profit after Tax / Average Shareholder's Equity)	776.61	2.39%	324.94	1.12%	113.40%	Net Profit after tax increased in compared to last year
	Net Profit after Tax	32,537.84		29,052.10			
	Average Shareholder's Equity						
v)	Inventory Turnover Ratio (Times) (Cost of Goods Sold or sales / Average Inventory)	1,149.62	-	752.27	-	0.00%	Not Applicable
	Sales	-		-			
	Average Inventory						
vi)	Trade Receivables Turnover Ratio (Times) (Net Credit Sales / Average Accounts Receivable)	1,149.62	9.59	752.27	4.53	111.73%	Due to increase in sales
	Net Credit Sales	119.85		166.04			
	Average Accounts Receivable						
vii)	Trade Payables Turnover Ratio (Times) (Net Credit Purchases / Average Trade Payables)	1,149.32	849.15	749.32	306.47	177.07%	Due to increased in Purchase
	Net Credit Purchases	1.35		2.45			
	Average Trade Payables						
viii)	Net Capital Turnover Ratio (in times) (Net Sales / Working Capital)	1,149.62	0.04	752.27	0.03	41.63%	Due to increase in sales
	Net Sales	28,478.39		26,393.82			
	Working Capital						
ix)	Net Profit Ratio (%) (Net Profit / Net Sales)	776.61	67.55%	324.94	0.43	56.39%	Due to increase in profit
	Net Profit	1,149.62		752.27			
	Net Sales						
x)	Return on Capital Employed (%) (Earning before Interest and Taxes / Average Capital Employed)	1,148.63	3.53%	517.23	1.8%	98.28%	Due to increase in EBITA
	Earning before Interest and Taxes	32,537.84		29,052.10			
	Average Capital Employed						
xi)	Return on Investments(%) Income from Investments/Time weighted average	(10,483.58)	-101.35%	(128.79)	-2.46%	4012.70%	Due to purchase of investment during the
	Income generated from Investments	10,344.13		5,226.29			
	Time weighted average Investments						



IOTA Mtech Limited
Notes to Standalone Financial Statements for the Year Ended 31 March 2025
(All amounts in ₹ lakhs, unless otherwise stated)

29 Fair value measurement

(a) Category wise classification of financial instruments

Particulars	Note	As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
A. (a) Non-current financial assets:			
Carried at FVOCI			
Investments	3	5,107.18	5,097.50
		5,107.18	5,097.50
(b) Current financial assets:			
Carried at amortised cost			
Trade receivables	5	-	239.69
Cash and cash equivalents	6	1,568.86	405.52
Loans	7	18,371.00	11,751.00
Other financial assets	8	8,586.07	13,951.25
		28,525.93	26,347.46
Total (a+b)		33,633.11	31,444.96
B. Financial liabilities			
Current financial liabilities:			
Measured at amortised cost			
Trade Payables	14	1.38	1.33
Other financial liabilities	15	3.79	1.86
		5.16	3.19

(b) Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

Particulars	As at 2025 (Amount)	As at 2024 (Amount)
Level 3 (Significant unobservable inputs)		
Financial assets measured at FVOCI		
Investments in Unquoted Equity Shares	45.68	36.00

(c) Reconciliation of Fair Value measurement of assets under Level 3 hierarchy of Fair Value measurement

Particulars	As at 2025 (Amount)	As at 2024 (Amount)
Balance at the beginning of the year	36.00	36.00
Fair value changes during the year	9.68	-
Balance at the end of the year	45.68	36.00



IOTA Mtech Limited
Notes to Standalone Financial Statements for the Year Ended 31 March 2025
(All amounts in ₹ lakhs, unless otherwise stated)

29 Fair value measurement (cont'd)

(d) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, loans, other financial assets and other financial liabilities approximate their carrying amounts of these instruments, as disclosed below:

Particulars	Note	As at 31 Carrying value	As at 31 Carrying value
Current financial assets:			
Trade receivables	5	-	239.69
Cash and cash equivalents	6	1,568.86	405.52
Loans	7	18,371.00	11,751.00
Other financial assets	8	8,586.07	13,951.25
Current financial liabilities:			
Trade Payables	14	1.38	1.33
Other financial liabilities	15	3.79	1.86

(e) Valuation process and technique used to determine fair value for investments valued using significant unobservable inputs (le

Investments in unquoted equity instruments (Level 3)

Investments in unquoted equity instruments of operational entities are valued on the basis of net asset value using fair value thereof wherever practicable.



30 Financial risk management

Company's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of its Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as other balances with banks, loans and other receivables.

i) Other financial instruments

Credit risks from other financial instruments includes mainly cash and cash equivalents. Such risks is managed by the treasury department of the Company with accordance with Company's overall investment policy approved by its Board of Directors. Investments of surplus funds are made in short term debt/liquid mutual funds of rated fund houses having the highest credit rating and in short term time deposits of reputed banks with a very strong financial position. Investment limits are set for each mutual fund and bank deposits. Risk concentration is minimized by investing in a wide range of mutual funds/bank deposits. These investments are reviewed by the Board of Directors on a regular basis.

(b) Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

i) Price risk

Price risk is the risk that the fair value or future cash flows will fluctuate due to change in market prices. The Company is exposed to price risk arising from its short term investments in debt or liquid mutual funds. Company's treasury department manages such risk in accordance with its overall risk management policy approved by the Group. The Company mitigates the risk by investing in a large number of rated funds. Investment limit in each fund is specified. All purchase or sale of mutual funds are reviewed by the Board of Directors on a regular basis. Company assesses that as returns from short term debt or liquid mutual funds are steady and depends on interest rates or market yield, there is very remote chance of any significant fluctuation in their fair values which can materially impact Company's future cash flows.

(c) Liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its contractual obligations associated with its financial liabilities. The treasury department of the Company manages its liquidity risk by preparing and continuously monitoring business plans or rolling cash flow forecasts which ensures that the funds required for carrying on its business operations and meeting its financial liabilities are available in a timely manner and at an optimal cost. The Company plans to meet the contractual obligations from its internal accruals and also maintains sufficient fund based and non-fund based credit limits with banks. Additionally, surplus funds generated from operations are parked in short term debt or liquid mutual funds and bank deposits which can be readily liquidated when required.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

	(Amount)			
Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2025				
Trade Payables	1.38	-	-	1.38
Other financial liabilities	3.79	-	-	3.79
As at 31 March 2024				
Trade Payables	1.33	-	-	1.33
Other financial liabilities	1.86	-	-	1.86

(d) Capital management

For the purpose of Company's capital management, capital includes issued equity share capital, preference share capital, retained earnings and short-term borrowings less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximise shareholder's value. Company has fund based credit facilities with banks from which it borrows during peak seasons to meet its working capital requirements. Further, the Company borrows funds from its group Companies at market rates, as and when required for managing its working capital requirements.

Following table summarizes the capital structure of the Company.

Particulars		As at 31 March 2025 (Amount)	As at 31 March 2024 (Amount)
Borrowings	(A)	-	-
Less: Cash and cash equivalents		1,568.86	405.52
Net borrowings		(1,568.86)	(405.52)
Total equity	(B)	33,581.93	31,493.75
Debt equity ratio	(A)/(B)	N.A.	N.A.



IOTA Mtech Limited
Notes to financial statements for the year ended 31 March 2025
(All amount in ₹ lakhs, unless otherwise stated)

31 Segment reporting

Basis of segmentation:

The Company has the following segments, which are its reportable segments. These segments deals in two different industries and are managed separately by the Company.

(a) Investing - Buying and selling of various kinds of securities

(b) Trading - Trading of cotton bales and other commodities

Operating segments disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker. The measurement principles of segments are consistent with those used in the significant accounting policies. Inter-segment transactions are determined on an arm's length basis.

Particulars	Year ended 31 March 2025 (Amount)				Year ended 31 March 2024 (Amount)			
	Investing	Trading	Unallocated	Total	Investing	Trading	Unallocated	Total
(a) Segment revenues	1,292.06	1,158.25	-	2,450.31	828.03	760.04	-	1,588.07
(b) Segment results	1,209.94	8.64	(74.85)	1,143.74	560.12	0.94	(79.22)	481.84
(c) Reconciliation of segment results with profit after tax:								
Add / (less):								
Tax expenses				(367.12)				(156.90)
Profit after tax as per the statement of profit and loss				776.61				324.94

Particulars	As at 31 March 2025 (Amount)				As at 31 March 2024 (Amount)			
	Investing	Trading	Unallocated	Total	Investing	Trading	Unallocated	Total
(d) Segment assets	13,693.25	-	19,946.03	33,639.29	19,048.75	239.69	12,219.58	31,508.02
(e) Segment liabilities	-	-	33,639.29	33,639.29	-	-	31,508.02	31,508.02



IOTA Mtech Limited

Notes to financial statements for the year ended 31 March 2025

(All amount in ₹ lakhs, unless otherwise stated)

32 Other Regulatory Information :

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with struck off Companies.

(iii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(iv) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

33 The Company has been engaged in the trading of raw cotton as its core business. However, during the year, the income from financial assets constitute more than 50 per cent of the total income mainly owing to temporary investments to utilise its idle surplus funds. Further, though the trading activity increased in comparison to Financial Year 2023-24 but was mostly subdued in both the financial years 2023-24 and 2024-25 below its potential, the Company remains optimistic about a strong revival in its operational income from FY 2025-26 onwards.

To realign with its core operations, the company is actively looking at avenues to increase its operating revenues from trading.



- 34 A Scheme of Amalgamation involving Basbey Greenview Private Limited ("Basbey"), a company in which Iota Mtech Power LLP ("the LLP") (a Limited Liability Partnership in which the Company holds 90% stake) had made an investment, was filed with Hon'ble National Company Law Tribunal, Kolkata ("NCLT"). The said scheme became effective upon receipt of original certified copy of the Order of the Hon'ble NCLT on 2nd December, 2024, subsequently filed with Registrar of Companies on 10th December, 2024 and consequent on the Scheme becoming effective, the above named company ceased to exist from the appointed date of the scheme being 1st April, 2023 and the LLP became entitled to receive shares in the transferee company namely, Maharaja Shree Umaid Mills Limited ("MSUML") in lieu of its investment in the said entity.

This resulted in an increase in net profit before tax of Rs. 133.56 Lakhs on de-recognition of investment held by the LLP in exchange for shares of the transferee company as on 1st April, 2023 and increase in deferred tax liability of Rs. 31.11 Lakhs, in the books of LLP.

Since the Company holds 90% stake in the LLP, the above was recognised to the extent of its share consequently, resulting in an increase in net profit by Rs. 92.20 lakhs for the Financial year 2023-24.

Further, as part of the aforesaid Scheme of Amalgamation, and in addition to Basbey already mentioned above, M B Commercial Co. Limited with which the company has related party transactions was also merged with the transferee company, MSUML.

Accordingly, the financial figures for the year ended 31st March 2024 have been restated to reflect the above.

- 35 The financial statements are approved for issue by the Board of Directors in its meeting held on 26 May 2025.

As per our report of even date

For V Singhi & Associates

Chartered Accountants

Firm's Regn. No. : 311017E



Sumit Singhi

Partner

Membership No. 060854



Place: Kolkata

Date: 26th May, 2025



For and on behalf of the Board of Directors

IOTA Mtech Limited



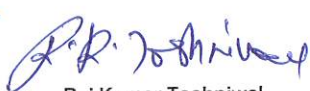
Yogesh Bangur

Director

(DIN: 02018075)

Place: Kolkata

Date: 26th May, 2025



Raj Kumar Toshniwal

Director

(DIN: 07801703)

Place: Kolkata

Date: 26th May, 2025