

September 02, 2024

The Manager Corporate Relationship Department BSE Limited Floor 25, Phiroze Jeejeebhoy Tower Dalal Street, Mumbai-400001	The Manager – Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400051
BSE Scrip Code : 532341	NSE Symbol: IZMO

Dear Sir/Madam,

Subject: Submission of Notice of the 29th Annual General Meeting of Izmo Limited along with Annual Report for the Financial Year ended March 31, 2024.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “Listing Regulations”) read with Part A, Para A of Schedule III and Regulation 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby enclose the Notice of the **29th Annual General Meeting** of Izmo Limited along with Annual Report of the Company for Financial Year ended March 31, 2024.

Kindly note the following details:

- Annual General Meeting:** 29th Annual General Meeting (AGM) will be held on Thursday, 26th September 2024 at 12:30 P.M. (IST) through Video Conferencing (“VC”) Or Other Audio-Visual Means (“OAVM”).
- Book Closure:** Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive) for the purpose of AGM.
- E-Voting:** The remote e-voting period will commence on Monday, September 23, 2024 (9:00A.M. IST) and will end on Wednesday, September 25, 2024 (5:00 P.M. IST).
- E-Voting Cut-off date:** Thursday, September 19, 2024.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2024 is being sent through e-mails to the shareholders of the Company only at their registered e-mail addresses with RTA or Depository Participant and the same has also been uploaded on the website of the Company under the web-link <https://bit.ly/izmoltd-annual-report-2023-24>.

Kindly take this information on record.

Yours faithfully,
for **IZMO Limited**

Sonal Jaju

Company Secretary and Compliance Officer

Encl: As above

izmo Ltd.

177/2C, Bilekahalli Industrial Area,
Bannerghatta Road, Bangalore-560 076, India

www.izmoltd.com

CIN: L72200KA1995PLC018734



DRIVING **AI-CONNECTED** **AUTO RETAIL**



Auto Dealer
Web Platform

Virtual
Showroom

AI Powered
Data Analytics

AI Review
Management

Spanish
Portal

Automotive
Imagery

“FrogData has helped us tremendously. The process from start to finish was beyond smooth.”

Eric Bolstad

Fixed Ops Director
Scott Robinson Honda



Meet the Automotive Industry Leader In AI Driven Data Analytics

AiFactory

AutoMind

FixedOps Mojo

frogBI

WarrantyBoost+ AI

FDAP

WarrantyMind AI

Corporate Information

Board of Directors

Mrs. Shashi Soni
Chairperson

Mr. Sanjay Soni
Managing Director

Mrs. Kiran Soni
Wholetime Director

Mr. Vijay Gupta
Independent Director

Mr. Ramanujam Krishnamurthy
Independent Director

Mr. Vasanth Kumar
Independent Director

Auditor

Mr. R. Vijayanand
#297, 1st Floor, 35th Cross, 7th C Main,
Jayanagar 4th Block, Bengaluru - 560011

Share Transfer Agents

Cameo Corporate Services Limited
"Subramanian Building", 5th Floor, 1,
Club House Road, Chennai - 02
Tel: 91-44-28460390 - 94
Fax: 91-44-28460129
E-mail: investor@cameoindia.com

Bankers

HDFC Bank Limited
Bilekahalli Branch, J.P. Nagar, 4th Phase,
Bengaluru - 78

Registered & Corporate Office

izmo Limited
#177/2C, Bilekahalli Industrial Area,
Bannerghatta Road,
Bengaluru - 560076, India
Tel : 91-80-67125400 - 5407
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Email : info@izmoltd.com

Websites

www.izmoltd.com
www.izmo.ai
www.izmoinc.com
www.izmocars.fr
www.izmocars.eu

India

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Delhi

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Mercantile Housing Building,
15, KG Marg, Cannaught Place,
New Delhi - 110001
Tel : 91-11-45675529

USA

Corporate Headquarters San Francisco

251 Post St. Suite 302 San Francisco,
CA 94108

Photography Studio

2100 E Mc Faddeen Ave.,
Suite C, Santa Ana, CA 92705
Tel : 562.597.5740
Fax : 562.597.9616

Marketing Office

1200 Harger Rd. Suite 320,
Oakbrook, IL 60523

Europe

Brussels Diegemstraat 45,
1800 Vilvoorde, Belgium
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France

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Boulogne-Billancourt
Tel : +33 (1) 85 39 07 93

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Totnes, Devon UK
Tel : +44 7545 847383

www.izmostock.com
www.izmoemporio.com
www.izmostudio.com
www.izmofx.com
www.izmotion.com

Core Management Team

U.S.A

Mr. Tej Soni
CEO of izmocars

Mr. Chris Daniels
Head - Studio Operations

UK

Jackie Lawton
Chief Operating Officer (COO)

France

Mr. Cedric Breton
Chief Operating Officer (COO)

Jean-Charles CADON
Director - Digital Retail

India

Mr. Sarbashish Bhattacharjee
Chief Technology Officer

Mrs. Kiran Soni
Chief Financial Officer

Ms. Sonal Jaju
Company Secretary &
Compliance Officer

Mr. Gopi SD
Associate Director - Finance &
Accounts

Mr. Dipankar Kacharia
Head - AOA Division

www.frogdata.com
www.autogozo.com
www.reviewsoda.com
www.izmocars.es
www.izmomicro.com

Table of Contents

1	MD's Letter to Shareholders	4
2	Business Overview	6
3	Management Discussion and Analysis	13
4	Notice of Annual General Meeting	25
5	Board's Report	49
6	Annexure to Board's Report	64
7	Corporate Governance Report	75
8	Auditors' Report on Standalone Financial Statements	95
9	Standalone Balance Sheet	107
10	Standalone Statement of Profit & Loss	108
11	Standalone Cash Flow Statement	109
12	Notes to Standalone Financial Statements	110
13	Auditors' Report on Consolidated Financial Statements	139
14	Consolidated Balance Sheet	146
15	Consolidated Statement of Profit & Loss	147
16	Consolidated Cash Flow Statement	148
17	Notes to Consolidated Financial Statements	149

The Nation Honors Smt. Shashi Soni Chairperson, izmo Ltd., With Padma Shri



The Honorable President Smt. Droupadi Murmu presenting the Padma Shri Award to Smt. Shashi Soni at Rashtrapati Bhawan, in attendance were the Honorable Vice President of India Sri Jagdeep Dhankhar, Honorable Prime Minister Sri Narendra Modi, his cabinet colleagues, and other high dignitaries.



MD's Letter to Stakeholders

Dear Valued Stakeholders



It gives me immense pleasure to address you all as we enter into the new fiscal year. The year gone by has been one of strategic growth for izmo. Through various market cycles and macro-economic volatility, the Company has charted an upward path on the back of its core strengths.

In the year ended 31st March 2024, the Company reported total revenue of Rs. 186.7 crores, up 21.4% year-on-year. Our EBITDA (excluding other income) and PAT grew 36.9% and 30.1% year-on-year to Rs. 39.9 crores and Rs. 26.1 crores, respectively. Growth in top line was driven by several new client additions in our key markets such as the US and Europe. We have continued to invest in expanding and developing our talent pool and also issued ESOPs during the year. Despite this, operational efficiencies undertaken, helped improve profit margins.

Our client roster continued to grow with many new additions during the year across multiple geographies. Some of the notable ones include Elite Auto SAS, Fareportal Inc., Citroen DS Avicars, Mozart Autos, and Elysee Automobiles, among others. We have been able to carry the momentum of the previous year into the initial months of this year as well.

This growth reflects the fruition of various strategic initiatives to enhance our product suite with new product development, coupled with our geographical expansion into new countries. This multi-faceted approach to drive growth is complemented by our endeavor to cross sell additional products to existing clients, thereby increasing our wallet share with each customer.

All this is possible mainly because our products consistently prove to be of immense value to our customers, delivering the required returns for them. This is also what keeps us a step ahead of any potential competition. In turn, this is indicative of our deep domain knowledge and expertise in the automotive sector, which helps us maintain a high client retention rate.

Throughout the year, we continued to invest in our most valuable asset, our talent pool. Increased investment in skilled workforce ensures that our R&D initiatives continue in full swing. As a product Company, we strive to push the boundaries of innovation, to bring new cutting-edge solutions that improve the businesses of our customers. We have some products in the development pipeline, including a virtual reality (VR) solution.



Our FrogData suite of products is seeing tremendous demand from existing as well as new customers. While FrogData products are gaining wide adoption in the US market, we are striving to bring them to our Europe-based clientele as well, where it is garnering popularity. FrogData incorporates AI technologies and we aim to leverage this strength to expand our AI offerings further.

On another note, we established a subsidiary, named Izmo Microsystems Private Limited, through which we shall develop battery management solutions for electric vehicles. Our software expertise, coupled with automotive domain experience, puts us in a good position to foray into this space, which is a high growth-potential sector.

I am also excited to share that we recently acquired Geronimo Web, a leading provider of digital marketing programs. This makes us one of the largest automotive digital web platform providers globally. The move brings over 4,000 dealers under our umbrella, spread

across Europe, US and South America. This is in line with our strategy to complement organic growth with inorganic initiatives.

Lastly, it is heartening to share that our Chairperson, Mrs. Shashi Soni, was conferred with the esteemed Padma Shri award by the Government of India this year. We are proud and humbled by this honour, which serves as a testament to a lifetime of hard work and dedication. This acts as a guiding star for us to strive for excellence and keep carving our way forward and upward.

Overall, we remain committed to solidify our position as the go-to solutions providers for auto dealerships and OEMs. I would like to thank the entire team and all our stakeholders for their support, and we look forward to another successful year ahead.

Sincerely,

Sanjay Soni

Managing Director,
izmo Limited



Business Overview

As supply chain issues eased worldwide in 2023, global light vehicle sales increased to 86 million units, up 8.9% from 2022. Market forecasts project 88.3 million new vehicle sales in 2024, a 2.8% increase from the previous year.

In 2023, the 16, 835 new car dealerships in the United States sold 15.5 million light vehicles, with sales topping \$1.2 trillion. Auto dealerships also fulfilled more than 264 million repair orders, with service and parts sales exceeding \$142 billion.

Light vehicle sales in Europe increased by 18.6% in 2023. Europe is projected to produce 17.4 million vehicles in 2024.

In Asia, Indian light vehicle sales surpassed Japan, with 4.2 million vehicles sold. China led the market, selling 22,32 million vehicles.

Passenger car sales in the South America totalled over 2.8 million units in 2023, primarily driven by Brazil, which grew by a substantial 9.2%.

Factors Driving the Market in 2024

The global light vehicle sales transitioned

from a supply-constrained marketplace to a demand-driven market in 2023, poised for steady and modest growth.

The market is now being driven by retail demand, financial parameters like inflation and interest rates, advancements in vehicle technology, and the all-important shift towards EVs.

These key factors are expected to steer the global light vehicle market in 2024.

Market Shift towards EVs

Nearly 14 million new electric vehicles hit the roads globally in 2023, and about one in every 5 vehicles sold is now an EV. The global shift towards electric vehicles is accelerating, with governments offering incentives and automakers driving advancements in battery technology, making EVs more practical and affordable.

The EV charging infrastructure is also growing rapidly, with over a million new units installed globally in 2023 alone. This is a significant factor mitigating range anxiety among EV owners and driving more EV adoption.



Economic Factors

The global economy looks cautiously subdued in 2024, Global growth is projected to hold steady at 2.6 percent this year, according to the world bank, despite flaring geopolitical tensions and high interest rates.

Global inflation is expected to moderate, averaging 3.5 percent this year.

Technology

Innovations in vehicle technology, including autonomous driving features, connectivity, and improved safety systems are increasingly becoming key selling points for consumers, driving market growth.

As in the previous year, changing customer behavior is nudging auto dealerships worldwide towards embracing digital technology- to put the customer first and manage, streamline, and promote their dealerships.

AI, data analytics, virtual experiences, customer centric web and 3D experiences, and versatile cloud infrastructures are at the forefront of this drive, and izmo is leading the way.

Take, for instance, the izmocars “Marketing Factory”, a one-stop marketing partner concept driving dealer marketing in France. And a full-suite of products and solutions to help everyone in auto retail succeed beyond expectations.

Marketing Factory

Invitations. Coupon promotions. Web & print advertising banners. Emails. SMS. Landing pages. Social media promotions. The average auto dealership marketing

department faces multiple challenges every single day, and managing multiple vendors while keeping everyone on the same page is a daunting task.

izmo’s Marketing Factory offers a simple and elegant solution, with ready-to-deploy standard campaigns for all occasions, sparing dealers the odious task of coordinating and managing multiple departments and outside vendors.

Introduced in the French market, Marketing Factory is now gaining interest with auto dealers, prominent dealer groups, and OEMs alike.



izmoemporio: Virtual Salesperson and In-dealership Shopping Assistant

The world's first full 3D CGI Virtual Auto Showroom, izmoemporio revolutionizes the car- buying experience with 3D imagery, vehicle highlights, and Interactive 360° Walk- Arounds.

Can we imagine an auto dealership without a showroom and persuasive salespersons? Just like dealerships, dealer websites need virtual showrooms and sales persuasion. izmoemporio fills this gap by allowing customers to experience, personalize, and select cars.

Presently izmoemporio is the only plug & play virtual showroom available to auto dealers.

VREmporio: Virtual Reality retailing and Training Solution

VREmporio offers the ultimate virtual car shopping experience and training solution in amazing virtual reality environments.

VREmporio can be deployed right at the dealership or in kiosks at airports or malls, helping to demonstrate and market vehicles with magical customer experiences.





VR can demonstrate functionality and safety features that is simply not physically possible at a car dealership, like demonstrating the effect of an air bag deploying.

With companies like Meta driving VR adoption, the future is bright for VREmporio.

FrogData: AI Driven Data Analytics Solutions for Auto Retail

The leading data analytics platform for auto dealers, FrogData is one of the fastest growing AI driven platform and applications suite in automotive retail analytics.

Deploying FrogData results in more deals, higher margins, improved employee and equipment utilization, high inventory turnover, long-term customer loyalty, and much more.

FixedOps Mojo: Performance Coach for Service Managers

The newly launched FixedOps Mojo service management solution by FrogData is fast gaining market share in the US

market. It offers advanced dashboards that transforms data clutter into easy to understand insights, FixedOps Mojo uncovers opportunities to improve operations and profitability, and offers action to-do lists that help service managers stay on top of the game with their priority task lists.

AI Factory

FrogData also upgraded it's path breaking AI Factory suite for dealers. This enhancement introduces new solutions focused on Used Car Pricing Optimizer, Service Management Solutions, and New Car Sales Negotiation tools, further empowering dealerships to optimize their operations and profitability.

izmoauto cloud platform for new-gen auto retail

The izmoauto responsive web platform with integrated virtual showroom that manages all izmo auto retail websites is the most advanced automotive web platform available to auto dealers globally. OEMs and dealer groups can now manage all their retail websites with just a few clicks.

Intelligent Web Design, izmo's design philosophy combining breathtaking visual design, ease of use, search friendliness, reliability, and scalability in one plug-and-play package, is largely responsible for the success of izmo's auto dealer websites and web apps.

Localization

izmo's websites are available in 36 languages, including French and Spanish. This multilingual functionality now allows thousands of car dealers to converse with customers and prospects in their own native language.

Spanish Language Solution

izmoespanol

izmo's Spanish-language retail solution for U.S. auto dealers includes native Spanish dealer websites, Spanish SEO, and Spanish social media marketing. izmoespanol dealer websites are assisting auto dealers in reaching the rapidly growing Hispanic market.

autogozo

autogozo.com, izmo's Spanish inventory listing portal for US auto dealers with Spanish SEO and virtual showroom functionality is also fast gaining traction in the market.

Considering that the Hispanic market is the fastest growing consumer segment in USA, valued at more than \$1 Trillion, this is a promising sector for izmocars.



Reputation Management

ReviewSoda – AI powered review responses

With 70% of prospective customers trusting reviews more than advertisements, dealers need to drive more positive reviews and respond to all their reviews proactively.

izmocars further upgraded its ReviewSoda AI reputation management solution to not only respond to reviews but drive reviews from happy customers as well.

The system now sends automatic invitations to customers, nudging them to leave reviews. It detects incoming reviews instantly and prepares a proactive response that businesses can publish with the push of a button. ReviewSoda AI is also gaining traction in the Indian market.

Automotive Parts & Accessories Management

DistrigoBoost/ Parts Velocity/ PartsGorilla

The parts & accessories management solutions of your company has significant traction in Europe, with hundreds of users spanning eight countries including France, UK, Netherlands, Italy, Belgium, Germany, Spain, and Portugal. PartsGorilla combines an accessories visualization app with a catalog and pricing manager, making it easy for customers to choose accessories and dealers to manage inventory with ease.

Premier Digital Marketing and Advertising Partner

Your company is a premier, full-service digital marketing and advertising partner in the automotive retail industry. From search marketing and social engagement to paid promotions, izmoRM integrates every aspect of the digital marketing journey

to deliver a comprehensive solution that produces measurable results.

One of the factors that set izmoRM apart from the others is our Digital Web Platform that is designed for high-performance search engine optimization (SEO) and incorporates fundamental SEO requirements for search engines. And on top of that, our customer responsiveness assures customers of quick updates and changes to marketing campaigns, resulting in better organic and advertising results.

Acquisitions and Subsidiaries

izmo.ai

izmocars recently acquired Geronimo Web, a global leader in digital marketing programs for OEMs and dealerships.

This landmark move establishes izmo as one of the largest providers of digital web platforms for automotive dealers across Europe, USA and South America. Serving over 4,000 dealers worldwide, providing services in 37 countries and 16 languages.

izmo microsystems

izmo also added izmo microsystems as a subsidiary to explore and develop battery management solutions for the fast growing EV segment.



izmostock

Any car, color, angle, or size

Choose from the world's largest car image library, from 2003



 Image Standardization

 360 Walk-arounds

 Vehicle Colorization

 **HIGH RESOLUTION**

 **ORIGINALLY COPYRIGHTED**

 **WEEKLY UPDATES**

Automotive Leasing
100% of top 100 leasing companies
Grande izmostock images

Automotive Portals
The world's leading portals
Use izmostock images

Digital and Print Promotions
Promotional material for 100,000+ dealers
Use izmostock images

Rental Car Websites
4 out of 5 top rental websites
Use izmostock images

Dealer Websites
100% of top 100 dealers
Use izmostock images

Mobile Apps
100% of top 100 mobile apps
Use izmostock images

Management Discussion and Analysis

izmo Limited operates primarily in one reportable segment. The Company consolidated and expanded its reach and penetration across key product categories globally.

Segment-wise Performance

Top Tier Digital Marketing and Advertising Partner

izmo Limited is a top tier, full-spectrum digital marketing and advertising partner in the automotive retail space, serving over 4,000 dealers worldwide, providing services in 37 countries and 16 languages.

From search marketing and social conversations to paid promotions, izmoRM connects all the dots in the digital marketing roadmap to offer a powerful solution that delivers measurable results.

Every izmoRM customer is serviced by a dedicated team comprising of a Project Manager backed by content specialists, digital marketing experts, social influencers, talented graphic designers, and programmers.

Our advanced web analytics and customer insights ensure that customers are always on top of the game

Visual Media

The visual media division of your company operates globally, with studios in California, USA and Brussels, Belgium, state-of-the-art image processing facilities in Bangalore,

India, and clients in the USA, Colombia, Belgium, Brazil, China, France, Germany, Italy, Netherlands, Portugal, Russia, Spain, Switzerland, Turkey, UK, New Zealand, Iceland, South Africa, India, and others.

Presently, izmo caters to:

- The world's top corporations
- Automotive OEMs and Portals
- Companies in automotive related businesses like leasing, rental, etc.
- Media
- Video Game Developers
- Ad Agencies and creative studios
- Retail clients

The visual media and marketing solutions offered by izmo play a key role in the global automotive retail transformation. The Company owns the world's largest library of automotive images.

Global CGI Vehicle Visualizer Platform and Kinetic CGI

Your company continues to expand and grow its CG business under the izmofx branding, with a major CG 3D WebGL visualizer platform for automotive clients and a Kinetic CGI solution that has breakthrough potential in transforming virtual retail.

Computer Generated Imagery (CGI) is versatile, and offers possibilities far beyond the realm of traditional photography. izmofx is leading the CGI wave in automotive retailing.

CG Assets for Leading Global Video Game Developers

Your company continues to serve the video game segment with CG assets. izmo's clients include one of the world's top game developers. izmo is also expanding izmofx into a leading CG art resource for video game companies.

Your company continues to develop its consumer products CG line. izmo is coordinating with leading agencies to supply CG assets.

Kinetic CGI

Kinetic CGI has the potential to transform online retail, and izmo expects to make major strides in this area.

Intellectual Property Rights

izmo actively takes the requisite measures to protect its intellectual

property. Whenever encountered with an infringement, the Company takes the necessary legal steps to protect its IP. Consequently, the Company registers the claims from such lawsuits under 'Other Income'.

Rental Car and Leasing Industry Solutions

izmo's Rental Car and Leasing Industry Solutions continued to dominate the market, with several major rental car companies worldwide being izmo's clients. The world's largest online travel portals use izmo images and 80% of all global rental car listings are powered by izmocars.

CGI-based production has further enabled izmo to expand global model coverage in markets outside of the regions served by izmo's studios. The Company now covers most automotive models in key markets worldwide.



Websites and Portals

Top Automotive web solutions provider in France

izmo is one of the dominant players in the French auto retail market, serving 69 prominent retail groups.

Apart from delivering retail websites to dealers belonging to 36 global automotive OEMs, izmo delivered an OEM automotive portal for used cars and continue to operate it. The Company also introduced Marketing Factory – one-stop marketing solution for auto dealers – in France.

UK

With the acquisition of Geronimo Web, izmo is now the prominent digital marketing provider for auto dealers in the UK market. Aside from the UK market, Geronimo Web has clients in 35 countries and valuable OEM relationships with prominent Global OEMs.

Spain

izmo is working in partnership with prominent OEMs to offer a used car portal which has huge market potential in the country. With local office and operations in place, your Company is all set for robust expansion in its business in Spain.

Columbia

The Company expects to see significant market traction in the coming years.

autogozo Auto Listing Portal

autogozo.com, izmo's auto listing portal

targeting the fastest growing US Hispanic market with innovative features like Spanish SEO and virtual showroom, is fast gaining traction.

Industry Structure and Developments

USA

The US is one of the largest automotive markets worldwide with a huge network of auto dealerships.

The market size, measured by revenue, of the new car dealer industry was about \$1.2 trillion in 2023, having grown 3.5% during that year. This size of this market has grown 1.9% per year on average between 2018 and 2023 in the US. The industry for New Car Dealers in the US is the 1st ranked Retail Trade industry by market size and the 8th largest in the US.



With customer purchasing preferences shifting online, auto dealers are open to new and innovative ways to compete and gain market share. This is one of the reasons why izmo's virtual showroom solutions, WebGL vehicle configurators, responsive dealer websites, digital marketing, AI-powered data analytics, parts and accessories management, and reputation management solutions are seeing considerable growth.

The increasing focus on reducing vehicular emissions has shifted the attention of



the automotive industry toward electric vehicles, which is driving the market. Governments and environmental agencies are enacting stringent emission rules and laws in response to growing environmental concerns, which may spur manufacturing of electric vehicles and fuel-efficient petrol/diesel engines in the future. Increasing disposable income, availability of the financing options, rising urban population, and preference for personal transportation along with technological advancements in cars are some of the factors which would lead to growth in the market.

Increased competition in this sector would spur the demand for better marketing software tools and solutions.

Source:

<https://www.ibisworld.com/united-states/market-research-reports/new-car-dealers-industry/>

<https://www.mordorintelligence.com/industry-reports/north-america-automotivemarket>

European Union

Even before the current macro-economic disruption, sales forecasts for the next decade were less than enthusiastic. Most suggested a slight increase in sales over the decade. Some anticipated volume stagnation. But most industry bodies agreed that the automotive industry would enjoy a rebound between 2023 and 2025 based on existing order backlogs and accumulated demand from the pandemic period.

However, macroeconomic trends, rising inflation and economic uncertainty coupled with global geopolitical disruption suggest the anticipated rebound in demand may not materialize as effectively as anticipated. In a muted period, the industry typically explores online options for marketing, which are more cost effective than traditional methods. As players strategize to survive the competition and get through a sluggish phase, solutions that optimize their business are well sought-after.

In Europe, the Company operates in UK, France, Italy, Belgium, Portugal and Spain.

izmo continues to be the top auto dealer website and marketing solutions provider dominating the French retail market, serving dealers and groups belonging to 36 OEMs. Your company also has tie-ups with 2 global OEMs. In addition, izmo has delivered four automotive portals to 2 global OEMs and 2 major dealer groups, as well as a portal targeting customers in France, Luxembourg, and Switzerland for a prominent tractor and agricultural equipment manufacturer.

The izmoVN new car inventory feed delivered by your company powers hundreds of car dealer websites in Europe.

Source: <https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2023/02/the-european-automotive-industry.pdf>

India

As per the Analysis of Automobile Industry in India, the auto market size in India is estimated at USD 126.67 billion in 2024, and is expected to reach USD 187.85 billion

by 2029, growing at a CAGR of 8.20% during the forecast period (2024-29).

The Indian economy has been expanding with the rise in disposable income of middle-class consumers. This, in turn, has a favourable impact on the increasing demand for automobiles. Vehicle manufacturing has increased rapidly over the last few years as a result of the country's low production costs. The automotive industry is gaining traction as vehicle manufacturing increases.

Increasing corporate interest in tapping into rural markets has also been instrumental in driving the expansion of the Indian automobile industry. The surge in logistics and passenger transportation sectors is driving the demand for commercial vehicles. Prospective market growth is projected to be fuelled by emerging trends such as the adoption of electric vehicles, particularly in the three-wheeler and small passenger vehicle segments. However, the primary challenge for the Indian automobile industry is regulatory compliance and adherence to stringent emissions standards.

The country stands as a notable player in automotive exports, with robust growth prospects anticipated in the coming years. Moreover, various government initiatives like the Automotive Mission Plan 2026, Scrappage Policy, and production-linked incentive schemes are poised to elevate India's status to a key global leader in the automotive sector.

Source: <https://www.mordorintelligence.com/industry-reports/analysis-of-automobile-industry-in-india>

Enterprise Software Products

During this period, the Enterprise Software Products division of your company recorded a growth of over 300% compared with the previous year, practically dominating the market in its area of operations.

izmo: A Long Tradition Of Innovation

Marketing Factory, izmoemporio, FrogData's AI Factory and FixedOps Mojo, ReviewSoda AI, PartsGorilla, izmoVN, CGI, and VR are among the latest in a long series of trend-setting market innovations from izmo, starting with izmoflix ver.1 that introduced the interactive automotive marketing experience to US consumers as early as 2003. izmo continues to be committed to its global market leadership in the automotive retail space.

Meanwhile, izmo dealer websites continue to be the first choice of the world's leading automotive retailers and portals, across the Americas, Europe and Asia.

The India Advantage

The India advantage of high-end human resources right from software development and IP, to support services at highly competitive costs is a strategic advantage that greatly supports the organic growth of your company.

Unlike other players in the market, the India component is not merely another cost-cutting measure for izmo – it is integral to the performance culture of the company, built into its corporate DNA.



Dear Members,

Your Directors are pleased to present the 29th Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2024.

Consolidated financial statements of accounts for the year ended 31st March, 2024.

Rs. in lakhs

Particulars	2023-24	2022-23
Revenue from Operations	18,674.83	15,382.69
Other Income	334.27	353.18
Total Revenue	19,009.10	15,735.87
Direct cost of operations	405.89	63.39
(Increase)/Decrease in Stocks/WIP	4.95	--
Employee Benefit Expenses	8,424.96	7,003.37
Financial Expenses	97.04	34.20
Depreciation	1,543.67	1,162.52
Other Expenses	5,849.51	5,401.87
Total Expenses	16,326.02	13,665.35
Profit/ (Loss) before Tax & Exceptional Item	2,683.08	2,070.52
Exceptional or Extraordinary Items	--	--
Profit/ (Loss) before Tax	2,683.08	2,070.52
Provision for Taxation	(83.11)	(50.71)
Taxes of earlier years	(2.50)	--
Deferred Tax	7.59	(18.17)
Profit / (Loss) after Tax	2,605.06	2,001.64
Other Comprehensive Income	10.18	4.25
Total Comprehensive Income for the year	2,615.24	2,005.89

Performance on a Consolidated Basis

The Company's performance in FY23-24 is much better than the previous year. On a consolidated basis, the revenue from operations has increased by nearly 20% whereas operating profit has also crossed Rs. 26 crores. Total revenues have crossed Rs. 190 crores. This is the highest in the company's history.

The Data Analytics division FrogData is growing as per expectation. The division is growing at the rate of more than 100% YoY. It's Artificial Intelligence (AI) driven product suite has delivered strong ROIs to its customers. FrogData has one of the most powerful AI engines built inside its product.

There has been a sharp increase in the Employee Benefit expenses due to additional manpower being hired as well as increments given to the employees.

Despite the depreciation and employee benefit expenses increasing substantially as compared to last year, the Net Profit has reached a new high of Rs. 26.15 crores

Standalone Financials

(Rs. in lakhs)

Particulars	2023-24	2022-23
Revenue from Operations	4,261.94	3,458.42
Other Income	113.50	92.59
Total Revenue	4,375.44	3,551.01
Direct cost of operations	405.88	63.39
(Increase)/Decrease in Stocks/WIP	4.95	--
Employee Benefit Expenses	3,037.02	2,711.66
Financial Expenses	27.74	9.13
Depreciation	143.49	137.72
Other Expenses	661.38	558.26
Total Expenses	4,280.47	3,480.16
Profit/ (Loss) before Tax & Exceptional Item	94.97	70.85
Exceptional or Extraordinary Items	--	--
Profit/ (Loss) before Tax	94.97	70.85
Provision for Taxation	(80.76)	(35.47)
Taxes of earlier years	(2.50)	--
Deferred Tax	7.36	(18.17)
Profit / (Loss) after Tax	19.07	17.21
Total Other Comprehensive Income	10.18	4.25
Total Comprehensive Income for the period	29.25	21.47

Performance

The Company's sales on a standalone basis has shown an increase of nearly 21% over the previous year.

Analysis of Expenses

Employee benefit expenses have shown a sizeable increase over the previous year. This is primarily due to the annual salary hike given to the employees as well as addition of new employees.

The company's other expenses have increased slightly as compared to the previous year.

Profitability

The company's profitability has improved slightly due to a sharp improvement in revenues. This has partially offset the sharp increase in employee costs and a jump in the Direct Costs.

Dividend

In order to augment the ongoing expansion programmes, the Directors have decided to plough back the profits into the system and regret inability to recommend dividend.

Opportunities and Threats

izmo is a blue ocean company that creates value out of breakthrough innovation and not price-competition. The Company owns deep domain expertise in all its areas of operations. The only possible threat to the company is new ground-breaking innovation, which is extremely unlikely, given that your company never ceases to explore new opportunities.

The entry barriers to any competition are fairly high, and potential competitors in areas like AI and Data analytics, CGI, VR, Imagery, Parts and Accessories Configurators, etc. are unlikely to be price-competitive for a long period of time.

The Company has been exploring various new opportunities in its operating space, including software with EV battery management, AI-based data analytics, reputation management, and CGI/VR/AR, which are innovation driven. Previous experience indicates that companies which enter the market arena at the commencement of the bell curve are the ones likely to reap the richest dividends.

Some opportunities for izmo include:

- Growth in automotive industry leading to higher spend by consumer and dealerships
- Rising dependence on online platforms for marketing, analytics and sales activities
- Reaching new, under-penetrated markets where there is scope for expansion
- Wider adoption of AI-based solutions
- Cross selling additional izmo products to existing customer-base

Risks and Concerns

Your company doesn't foresee any major risks in our operating space.

However, izmo is a global company operating in 3 continents, and major currency fluctuations may impact the bottom-line, either positively or negatively.

Acquisition and retention of talented workforce is of paramount importance. Your company actively scouts for the best talent and strives to retain an efficient workforce with deep domain expertise.

Competition is fragmented as izmo has dissimilar competitors corresponding to its different products. Therefore, the Company does not see like-to-like competition in its overall operating space and geographies.

A potential downturn in automotive demand in key markets could hamper spending on the solutions that izmo offers.

Internal Control Systems

izmo has in place adequate Internal Control Systems commensurate to its size and nature of operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safe guarding the assets from unauthorized use or loss, extending transactions with proper operation and ensuring compliance of corporate policies.

Internal Control is supplemented by regular management review, documented policies and procedures, and internal audits. The Company has an Audit Committee, details of which have been provided in the Corporate Governance report. The Audit Committee reviews Audit Reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up implementation of corrective actions. The Company would like to record its appreciation to its employees and their whole hearted support and cooperation during the year.

The Committee also meets the Company's statutory auditors to ascertain their views on the adequacy of internal control systems in the Company and keeps the Board informed of its major observations from time to time.

Human Resources

Employee relations remained satisfactory during the period under review. The Company would like to record its appreciation to its employees for their whole hearted support and co-operation.

Outlook

Software tools and solutions for automotive marketing have seen a tremendous increase in adoption among market participants. The benefits and cost efficiencies that such tools offer, as compared with traditional marketing methodologies, encourage OEMs and dealerships alike, to explore and opt for such solutions. This trend is even more accentuated in the post-pandemic era.

In line with its core ethos, izmo has continued to invest in research and new product development, to push the boundaries of cutting-edge solutions, which yield benefits for their users. These efforts have translated into a steady growth in revenue and profit margins as

the Company performs better each year.

izmo's product suite covers all the critical aspects of automotive marketing, making it's a comprehensive basket of solutions, which can be subscribed to as a whole, or individually, depending on the customized requirements of each client.

The Company has also been focusing on expanding its geographical footprint, especially in Europe and Latin America, where there is tremendous demand for the products, without compromising on margins. The recent acquisition of Geronimo Web is an initiative in that direction, which adds a substantial number of customers to our roster across the above mentioned geographies.

Alongside new product development, the company is engaged with a leading global provider of Hi-Def digital games to develop material for their games.

izmo has had an early start with artificial intelligence (AI) since FrogData already uses AI-based analytics tools. With AI solutions now being recognized for their potential, the Company is well positioned to lead the way with AI-based solutions in the auto sector.

There is significant headroom for growth in the US as well as European markets, and the Company is in a competitive position to leverage its strengths for new opportunities in new and existing markets.

Financial Performance with respect to Operational Performance

Discussion on financial performance with respect to operational performance is available in detail in the beginning pages of the Board's Report of this Annual Report.



School of Athens

by Raphael

Renaissance era painting celebrating both worldly and spiritual pursuits. The painting features Plato and Aristotle.

Public Domain

NOTICE**NOTICE OF THE 29TH ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE **29TH (TWENTY-NINETH)** ANNUAL GENERAL MEETING OF THE MEMBERS OF IZMO LIMITED (THE "COMPANY") WILL BE HELD ON **THURSDAY, 26TH DAY OF SEPTEMBER 2024 AT 12:30 PM** (IST) THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM") WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:**ITEM NO. 1: ADOPTION OF ACCOUNTS:**

To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with Reports of the Auditor's and the Board of Directors' thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 together with Auditors' Report thereon.

Members are requested to consider and pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Auditors' and the Boards of Directors thereon, along with relevant annexure, be and are hereby received, considered, approved and adopted.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and/or expedient, to give effect to this resolution(s), including delegation of powers herein, to any of the Directors and/or officers of the Company."

ITEM NO. 2: TO RE-APPOINT DIRECTOR WHO RETIRES BY ROTATION:

To re-appoint Mrs. Shashi Soni (DIN:00609217) Whole-time Director of the Company, who retires by rotation, and being eligible, offers herself for re-appointment.

Members are requested to consider and pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 152 and other applicable provisions of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to re-appoint Mrs. Shashi Soni (DIN:00609217) Whole-time Director of the Company, who retires by rotation, and being eligible, offers herself for re-appointment, as director liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and/or expedient to give effect to this resolution(s)."

SPECIAL BUSINESS:**ITEM NO.3: TO APPOINT MR. ROOPSING NOORSING CHAWHAN (DIN:00568833) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY, NOT LIABLE TO RETIRE BY ROTATION FOR A TERM OF 5(FIVE) CONSECUTIVE YEARS.:**

Members are requested to if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**

NOTICE

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Roopsing Noorsing Chawhan (DIN-00568833), as a Non-Executive Independent Director of the Company, not liable to retire by rotation for a period of 5 (Five) consecutive years with effect from September 30, 2024 to September 30, 2029.”

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard”.

ITEM NO.4: TO APPOINT MR. CHETHAN RAGHUNATH REDDY (DIN:10697692) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY, NOT LIABLE TO RETIRE BY ROTATION FOR A TERM OF 5(FIVE) CONSECUTIVE YEARS.:

Members are requested to if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Chethan Raghunath Reddy (DIN:10697692), as a Non-Executive Independent Director of the Company, not liable to retire by rotation for a period of 5 (Five) consecutive years with effect from September 30, 2024 to September 30, 2029.”

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard”.

ITEM NO.5: TO CONSIDER AND APPROVE FOR GIVING AUTHORIZATION TO BOARD OF DIRECTORS UNDER SECTION 180(1)(A), SECTION 180(1)(C) OF THE COMPANIES ACT, 2013 UPTO AN AGGREGATE LIMIT OF RS. 1000 CRORE (RUPEES ONE THOUSAND CRORE ONLY):

Members are requested to if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to pledge, mortgage, hypothecate, create floating charge, transfer, sell, lease or dispose-off all or any movable or immovable, or tangible or intangible properties of the Company, both present and future, and/or the whole or part of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders in the best interest of the Company; to secure the amount borrowed by the Company or any third party from time to time; for the purpose of due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable

NOTICE

by the Company or any third party in respect of such borrowings; provided that the aggregate indebtedness secured by the assets/properties/undertaking of the Company shall not at any time exceed the aggregate limit of **Rs. 1,000 Crore (Rupees One Thousand Crore Only)**.

RESOLVED FURTHER THAT any Directors(s) of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental to give effect to this resolution."

ITEM NO. 6 TO CONSIDER AND APPROVE FOR GIVING AUTHORIZATION TO BOARD OF DIRECTORS TO ADVANCE ANY LOAN, GIVE ANY GUARANTEE OR TO PROVIDE ANY SECURITY TO ALL SUCH PERSON SPECIFIED UNDER SECTION 185 OF THE COMPANIES ACT, 2013 UPTO AN AGGREGATE LIMIT OF RS. 500,00,00,000 (RUPEES FIVE HUNDRED CRORE ONLY):

Members are requested to if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 185 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan(s) and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any entity which is a Subsidiary/ Associate/Joint Venture or such other entity/person as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested; provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of **Rs. 500,00,00,000 (Rupees Five Hundred Crore Only)**.

RESOLVED FURTHER THAT the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

RESOLVED FURTHER THAT keeping the best interest of the Company in view, any approval accorded by the Board of Directors and shareholders of the Company under Section 185 of the Companies Act, 2013 under this resolution shall be in force till the period any amendment to the said resolution will be made by the Board of Directors and Shareholders thereof.

RESOLVED FURTHER THAT any Directors(s) of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution."

ITEM NO.7: TO CONSIDER AND APPROVE FOR GIVING AUTHORIZATION TO BOARD OF DIRECTORS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 UPTO AN AGGREGATE LIMIT OF RS. 500,00,00,000/- (RUPEES FIVE HUNDRED CRORE ONLY):

Members are requested to if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of Section 186 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions , if any, of the Act (including any statutory modification, amendment or re-enactment thereof, for the time being in force) and Articles of Association of the Company and subject to such further approvals as may be necessary and on such other term(s), condition(s), stipulation(s) and modification(s) as may be prescribed and specified while granting such approval(s), the consent of the members of the Company be and is hereby accorded to the Board of Directors

NOTICE

of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide any security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate whether Indian or Overseas (together referred to as “Loans/Investments”), as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the Loans/Investments along with the Loans/Investments, proposed to be given or made by the Company, from time to time, shall not exceed, at any time, **Rs. 500,00,00,000/- (Rupees Five Hundred Crore only)** over and above the limits prescribed under the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to take, from time to time, all decisions and steps in respect of the Loans/Investments including the timing, amount and other terms and conditions of such Loans/Investments and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

By order of the Board
For Izmo Limited

Sd/-

Sanjay Soni
Managing Director
DIN: 00609097

Place: Bengaluru
Date: August 12, 2024

NOTICE**NOTES:**

1. In view of the continuing COVID-19 Pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circular No.14/2020 dated 08.04.2020, Circular No.17/2020 dated 13.04.2020, Circular No.20/2020 dated 05.05.2020, Circular No 02/2021 dated 13.01.2021, Circular No 19/2021 dated 08.12.2021, Circular No 21/2021 dated 14.12.2021, Circular No 02/2022 dated 05.05.2022, Circular No. 10/2022 dated 28.12.2022 and Circular No. 9/2023 dated September 25, 2023 in relation to Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) (hereinafter collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 , Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 No. SEBI/HO/CFD/CMD2/ CIR/P/2022/6 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD/-2/P/ CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 this AGM is being convened to be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members and accordingly, the **29th Annual General Meeting (the "AGM")** of the Company will be held through VC or OAVM in compliance with the aforesaid circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). The registered office of the Company shall be deemed to be the venue for the AGM. Since the AGM will be held through VC, the Route Map is not annexed to this Notice.
2. Members participating the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. In terms of the MCA Circulars and SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, **the requirement of sending proxy forms to holders of securities as per provisions of section 105 of the act read with regulation 44(4) of the listing regulations, has been dispensed with.** Therefore, the facility to appoint proxy by the members will not be available and consequently, the proxy form, attendance slip and route map are not annexed to this notice convening the 29th Annual General Meeting of the Company (the "notice").
4. Pursuant to Section 113 of the Act and Rules framed there under, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through an e-mail at syed1948@gmail.com with a copy marked to company.secretary@izmoltd.com .
5. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents ("RTA") Cameo Corporate Services Limited ("CCSL") for assistance in this regard.
6. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with CCSL in case the shares are held by them in physical form.

NOTICE

7. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/CCSL to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.
8. Members are requested to notify changes, if any pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to CCSL if the shares are held by them in physical form along with their addresses specifying full address in block letters with PIN code to the Company's Registrar and Share Transfer Agents("the RTA") at the following address: Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Anna Salai, Chennai, Tamil Nadu - 600002.
9. In terms of the provisions of the Companies Act, 2013 and Rules made there under and Articles of Association of the Company, Mrs. Shashi Soni (DIN:00609217), Whole-time Director of the Company retires by rotation and being eligible offers herself for reappointment. A brief resume of Mrs. Shashi Soni (DIN:00609217) along with the nature of her expertise are given herewith and forms part of the notice convening the 29th Annual General Meeting. The Company has received the requisite consents/declarations for the appointment/ reappointment under the Companies Act, 2013 and the rules made thereunder.
10. Members desiring inspection of statutory registers during the AGM or who wish to inspect the relevant documents referred to in the Notice, can send their request by email to company.secretary@izmoltd.com.
11. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.izmoltd.com/shareholder-service-request-en-in.htm>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has already dispatched a letter in this regard to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and

NOTICE

Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Members can login and join 15 (fifteen) minutes prior to the scheduled time of the meeting and the window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.

13. In Compliance with aforesaid Circulars issued by MCA and SEBI Circular dated May 12, 2020, the Notice along with the Annual Report of the Company for the Financial Year ended March 31, 2024, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or Depository Participants or the Registrar and Share Transfer Agent (the "RTA"), i.e. Cameo Corporate Services Limited ("CCSL"). Members may also note that the Notice and Annual Report for 2023-24 will also be available on the Company's website www.izmoltd.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively where shares of the Company is listed and on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., Central Depository Services (India) Limited (CDSL), viz., www.evotingindia.com.
14. All the members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday August 30, 2024 would be considered for the purpose of sending the AGM Notice and the Annual Report. However, instructions have been given in Izmo Limited Notice of 29th AGM to enable those persons who become members subsequently to receive the AGM notice, Annual Report and login credentials.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

- i. **In case shares are held in physical mode** please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to company.secretary@izmoltd.com
- ii. **In case shares are held in demat mode**, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to company.secretary@izmoltd.com.

If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

- iii. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 - iv. **In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.**
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or CCSL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

NOTICE

16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
17. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before September 20, 2024 through an e-mail on company.secretary@izmoltd.com . The same will be replied by the Company suitably.

18. VOTING THROUGH ELECTRONIC MEANS (REMOTE E-VOTING AND E-VOTING DURING AGM)

- i. In Compliance to Section 108 and other applicable provisions, if any, of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto, read together with the MCA Circulars and Regulation 44 of the Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 the Company has engaged the services of Central Depository Services Limited to provide remote e-Voting facility during the AGM to all the eligible members to enable them to cast their votes electronically in respect of the businesses to be transacted at the meeting.
- ii. The remote e-voting period will commence on **Monday, September 23, 2024 (9:00A.M. IST) and will end on Wednesday, September 25, 2024 (5:00 P.M. IST)**. During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e., **Thursday, September 19, 2024**, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by CDSL for voting thereafter.
- iii. Only those Members, who will be present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who have cast their votes by remote e-Voting may attend the meeting but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Thursday, September 19, 2024** being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date.
- iv. The Board of Director has appointed **Mr. Syed Shahabuddin (Membership Number: ACS4121 and COP Number: 11932)**, Practicing Company Secretary or failing whom, such other practicing company secretary as the Board of Directors of the Company may appoint as the scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- v. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of atleast two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the Meeting.
- vi. The Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.izmoltd.in) and on the e-Voting website of CDSL (www.evotingindia.com) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the

NOTICE

equity shares of the Company are listed.

- vii. Members holding shares in physical mode or whose e-mail addresses are not registered may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company at company.secretary@izmoltd.com or to the RTA at jessy@cameoindia.com.
 - a. Scanned Copy of a signed request letter, mentioning name, folio number/DP Id, Client Id and number of shares held and complete postal address;
 - b. Self-attested scanned copy of PAN Card; and
 - c. Self-attested scanned copy of valid address proof (like Aadhar card/Latest Electricity Bill/Latest Telephone Bill/ Passport/Voter ID Card/ Bank Passbook particulars) of members as registered against their shareholding.
- viii. Members who hold shares in physical mode and who already have valid e-mail address registered with the company, the RTA need not take any further action in this regard.

Instructions to cast votes through remote e-Voting, through e-Voting system during the AGM and Joining Annual General Meeting are annexed below:

The remote e-voting period begins on **Monday, September 23, 2024 (9:00A.M. IST) and will end on Wednesday, September 25, 2024 (5:00 P.M. IST)**. The remote e-voting module shall be disabled by CSDL for voting thereafter. The Members whose names appear in the Register of Members / Beneficial Owners as on the record date **(cut-off date) i.e. Thursday, September 19, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, September 19, 2024**.

The detailed process to vote electronically on CDSL e-Voting system consists of “Two Steps” which are mentioned below:

A. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode:

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail Id with their DPs in order to access e-Voting facility.

NOTICE

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>i) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company’s name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>ii) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders holding securities in Demat mode with CDSL.	<p>i) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>ii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. By clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.</p> <p>iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>iv) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending an OTP on registered Mobile No. & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

NOTICE

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 or 022-23058542-43

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Log-in to CDSL e-Voting website?

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

NOTICE

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the Izmo Limited on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the scrutinizer and to the Company at the email address viz; company.secretary@izmoltd.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

NOTICE**19. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
4. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
5. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@izmoltd.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@izmoltd.com. These queries will be replied to by the company suitably by email.
9. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

20. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to company.secretary@izmoltd.com/ jessy@cameoindia.com.

NOTICE

- ii. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP) or alternatively please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self -attested scanned copy) to company.secretary@izmoltd.com / jessy@cameoindia.com

For any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25 Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

21. RAISING OF QUESTION OR SEEKING CLARIFICATION:

- i. AGM is being conducted through VC or OAVM, the Members are encouraged to express their views / send their queries well in advance for smooth conduct of the AGM but not later than **5:00 P.M. (IST) Saturday, September 21, 2024**, mentioning their names, folio numbers / demat account numbers, e-mail addresses and mobile numbers at company.secretary@izmoltd.com and only such questions / queries received by the Company till the said date and time shall be considered and responded during the AGM.
- ii. Members willing to express their views or ask questions or seek any information on the financial accounts, operations or any matter to be placed at the AGM, are requested to write to the Company in advance. Those who wanted registered themselves as speaker may do so by sending their requests from **Saturday, September 14, 2024 (9:00 A.M. IST) to Saturday, September 21, 2024 (5:00 P.M. IST)** at company.secretary@izmoltd.com from their registered e-mail addresses mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting / the Company reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.
- iii. The Company's Register of Members and Share Transfer Book shall remain closed, from **Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive)** for the purpose of 29th AGM.
- 22.** Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. April 1, 2019, except in case of transmission or transposition of securities. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated March 27, 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after April 1, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after April 1, 2019 can do so only after the shares are dematerialized. However, requests for transfer of shares held in physical mode, as filed in Form SH-4, prior to April 1, 2019 and returned to the investors due to deficiency in the documents may be re- submitted for transfer even after April 1, 2019 provided it is submitted along with the necessary documents including PAN details. In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated November 6, 2018.

NOTICE

- 23.** All documents referred to in the Notice shall be made available for inspection by the Members of the Company, without payment of fees up to and including the date of AGM. Members desirous of inspecting the same may send their requests at company.secretary@izmoltd.com from their registered e-mail addresses mentioning their names and folio numbers /demat account numbers.

By order of the Board
For IZMO Limited

Place: Bengaluru
Date: August 12, 2024

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097

NOTICE**Summarized information briefly:**

Particulars	Details
Time and date of AGM	12:30 PM (IST) on Thursday the September 26, 2024
Venue/Mode	Through video conference
Cut-off date for e-Voting	Thursday, 19th September, 2024
Voting Start Date & Time	9:00 a.m. (IST) on Monday, 23rd September, 2024
Voting End Date & Time	5:00 p.m. (IST) on Wednesday, 25th September, 2024
E-voting website links (Please use as applicable to you)	https://web.cdslindia.com/myeasitoken/home/login https://eservices.nSDL.com/
Book closure date from	Friday, 20/09/2024
Book closure date to	Thursday, 26/09/2024
Number of Resolutions	7 (Seven)
Benpos date for posting of Annual reports/ notices	Friday, 30th August, 2024
Voting Result Date	On or before Saturday, 28th September, 2024
Scrutinizer Name	Mr. Syed Shahabuddin
Scrutinizer E-Mail ID	syed1948@gmail.com
Company Authorized Person Name	Ms. Sonal Jaju Company Secretary and Compliance Officer, Izmo Limited 177/2C, Billekahalli Industrial Area, Bannerghatta Road, Bangalore – 560076, India Contact No. 080-6712 5423 Email id: company.secretary@izmoltd.com
Contact details of RTA	Ms. Jessy (Asst. Manager) Cameo Corporate Services Limited, #1 Club House Road, Chennai 600 00, Ph: 044-40020742 Email id: jessy@cameoindia.com

NOTICE**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: To appoint Mr. Roopsing Noorsing Chawhan (DIN-00568833) as a Non-Executive Independent Director of the Company, not liable to retire by rotation for a term of 5(five) consecutive years.

Appointment of Mr. Roopsing Noorsing Chawhan (DIN-00568833) as a Non-Executive Independent Director(s) of the Company, not liable to retire by rotation.

The Board of Directors of the Company at its meeting held on August 12, 2024, has proposed the candidature of Mr. Roopsing Noorsing Chawhan (DIN-00568833) as a Non-Executive Independent Director of the Company for a term of 5 years with effect from September 30, 2024, to the members of the Company. In terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the resolution relating to his appointment, the Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Roopsing Noorsing Chawhan (DIN:00568833) as a Non-Executive Independent Director..

Mr. Roopsing Noorsing Chawhan, aged 76 years having over 40 years of experience in premier public/ Government financial institutions engaged in promotion of small, medium and large industries. Both the financial institutions viz. KSIIDC (Karnataka State Industrial Investment Development Corporation) and KSFC (Karnataka State Financial Corporation) are leading financial institutions in the State of Karnataka. Shouldered responsibilities at senior management levels in key areas of operations mainly comprising of project appraisals, project implementation & monitoring, recovery of loans, rehabilitation of sick industries, developing various packages and policies for promotion and acceleration of industrial investments in the State. He was also heading the equity investment and disinvestment departments, promotion and development of mega infrastructure projects such as, Bangalore International Airport Project, Sea Ports, Urban Infrastructure projects, investment summits at global level, development of venture capital fund and specialized institutes. Mr. Roopsing Noorsing Chawhan is not related to any Director of the Company. Accordingly, the Nomination and Remuneration Committee and the Board of Directors, are of the view that, given the knowledge, experience, contribution and performance evaluation of Mr. Roopsing Noorsing Chawhan would be immensely beneficial to the Company, in its pursuit of growth and hence recommend to the Members to approve his appointment for a period of five consecutive years up to September 30, 2029.

The Company has received a declaration from Mr. Roopsing Noorsing Chawhan (DIN:00568833) confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent from Mr. Roopsing Noorsing Chawhan to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

A Copy of the draft letter of appointment of Mr. Roopsing Noorsing Chawhan (DIN:00568833) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. Additional information in respect of Mr. Roopsing Noorsing Chawhan (DIN:00568833) pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure A** to this Notice along with Justification for his appointment as a Non-Executive Independent Director.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding, if any in the Company.

Accordingly, consent of the members is sought for passing Special Resolution as set out at Item No. 3 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

NOTICE

Item No. 4: To appoint Mr. Chethan Raghunath Reddy (DIN:10697692) as a Non-Executive Independent Director of the Company, not liable to retire by rotation for a term of 5(five) consecutive years.

Appointment of Mr. Chethan Raghunath Reddy (DIN-10697692) as a Non-Executive Independent Director(s) of the Company, not liable to retire by rotation.

The Board of Directors of the Company at its meeting held on August 12, 2024, has proposed the candidature of Mr. Chethan Raghunath Reddy (DIN-10697692) as a Non-Executive Independent Director of the Company for a term of 5 years with effect from September 30, 2024 to the members of the Company. In terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the resolution relating to his appointment, the Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Chethan Raghunath Reddy (DIN-10697692) as a Non-Executive Independent Director.

Mr. Chethan Raghunath Reddy is an expert in matters relating to Company Law, Company Secretarial, National Company Law Tribunal and Foreign Exchange Management Law. He has an experience of over a decade and is dedicated in providing innovative and creative legal strategies and solutions to serve the interests of corporates. He holds handful experience in handling matters relating to regulatory authorities and corporate compliance management. He is associated with many reputed consultancy firms handling corporate and secretarial matters independently. Accordingly, the Nomination and Remuneration Committee and the Board of Directors, are of the view that, given the knowledge, expertise and experience of Mr. Chethan Raghunath Reddy, it would be immensely beneficial to the Company, in its pursuit of growth and hence recommend to the Members to approve his appointment for a period of five years up to September 30, 2029.

The Company has received a declaration from Mr. Chethan Raghunath Reddy confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received consent from Mr. Chethan Raghunath Reddy to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

A Copy of draft letter of appointment of Mr. Chethan Raghunath Reddy setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. Additional information in respect of Mr. Chethan Raghunath Reddy, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure A** to this Notice.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding, if any in the Company.

Accordingly, consent of the members is sought for passing Special Resolution as set out at Item No. 4 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said resolution for the approval of the shareholders of the Company as a Special Resolution.

Item No. 5: To Consider and Approve for giving Authorization to Board of Directors under section 180(1)(a), section 180(1)(c) of the Companies Act, 2013 upto an aggregate Limit of Rs. 1000 Crore (Rupees One Thousand Crore Only):

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; provided a consent by way of Special Resolution by the Shareholders of the Company has been obtained.

NOTICE

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors has the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company, in aggregate exceeds its paid-up share capital and free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business, provided a consent by way of Special Resolution by the Shareholders of the Company has been obtained.

In order to secure the borrowings/ financial assistance, the Company may require to create security by way of mortgage/ charge and/or hypothecation of its assets and properties both present and future. The terms of such security may include a right in certain events of default, to take over management or control of the whole or substantially the whole of the undertaking(s) of the Company or such other related conditions as the Board of Directors and the lenders may approve mutually from time to time.

Since creation of charge by way of mortgage/hypothecation/floating charge on the movable and/or immovable properties and assets of the Company with the right of taking over management or control in certain events of default may be considered to be a sale/lease/disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013, it is proposed to seek approval of the shareholders for approving the limits under the said Section.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board Directors in its meeting held on August 12, 2024 has proposed to obtain the approval of the shareholders for borrowing upto an aggregate limit of Rs.1,000 Crore under Section 180(1)(a) read with Section 180(1)(c) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding, if any in the Company.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

Item No. 6: To Consider and Approve for giving Authorization to Board of Directors to Advance any Loan, give any Guarantee or to provide any security to all such person specified under section 185 of the companies act, 2013 upto an aggregate Limit of Rs. 500,00,00,000 (Rupees Five Hundred Crore only):

Pursuant to the provisions of Section 185 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), no company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner. However, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that (a) a special resolution is passed by the company in general meeting and the loans are utilized by the borrowing company for its principal business activities.

In order to augment the long term resources of the Company and to render support for the business requirements of the entities in which director of the Company is interested or deemed to be interested from time to time, the Board of Directors in its meeting held on August 12, 2024 has proposed to obtain approval from the shareholders of the Company for advancing any loan, giving any guarantee or providing any security to all such person specified under Section 185 of the Companies Act, 2013 and more specifically such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is

NOTICE

interested or deemed to be interested and upto an **aggregate limit of Rs. 500,00,00,000 (Five Hundred Crores Only)**. Further, the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities and that keeping the best interest of the Company.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 6 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

Item No. 7: To Consider and Approve for giving Authorization to Board of Directors under section 186 of the Companies Act, 2013 upto an aggregate Limit of Rs. 500,00,00,000/- (Rupees Five Hundred Crore only):

As per the provisions of Section 186 of the Companies Act, 2013 a company can, give or make Loans/Investments, directly or indirectly, for a sum exceeding 60% of the aggregate of paid-up share capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account, whichever is higher, only upon obtaining approval of the members of the Company by a Special Resolution.

In order to make optimum utilization of funds available with the Company and to fulfil the strategic initiatives and business objectives of the Company and considering the benefits that may accrue on the Company as a result of expansion of business through acquisitions, the Board in its Meeting held on August 12, 2024 has proposed to obtain approval of the shareholders of the Company to enable investments by the Company upto **Rs. 500,00,00,000 (Rupees Five Hundred Crore only)**.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise, in the resolution set out in Agenda No. 7 of the Notice, except to the extent of their directorships and shareholding, if any in the Company.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 7 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said resolution for the approval of the shareholders of the Company as a Special Resolution.

NOTICE**ANNEXURE TO THE NOTICE OF 29TH ANNUAL GENERAL MEETING
ANNEXURE A**

DISCLOSURES REQUIRED TO BE GIVEN PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND REVISED SECRETARIAL STANDARDS ON GENERAL MEETINGS(SS-2) ISSUED BY ICSI:

Particular	Mrs. Shashi soni	Mr. Roopsing Noorsing Chawhan	Mr. Chethan Raghunath Reddy
Age	84 Years	76 Years	33 Years
Qualifications	Graduate	Bachelor in Commerce from SB Commerce College, Gulbarga (Gold Medalist), Master in Commerce from Karnataka University, Dharwad and "Programme on Investment Appraisal and Management" From HIID HARVARD UNIVERSITY, BOSTON, USA	Bachelor of Commerce from M. S. Ramaiah College, Bangalore. Executive Programme from Institute of Company Secretaries of India
Experience and brief resume of the director and nature of expertise in specific functional areas	Mrs. Shashi Soni has about 48 years of business experience in diverse industries such as Entertainment, Industrial Gases and Transportation. She has vast knowledge of business and expertise in dealing with HR and Administrative matters.	As provided in the Explanatory Statement to the respective Resolution in this Notice	As provided in the Explanatory Statement to the respective Resolution in this Notice
Terms and conditions of Appointment / re-appointment and details of remuneration sought to be paid	As per resolution No. 2 Appointed as Chairperson & Whole-time Director liable to retire by rotation. She retires by rotation and, being eligible, offers herself for re-appointment.	As per Resolution No. 3 Appointed as a non-executive Independent Director, not liable to retire by rotation with term and condition as per resolution 3 and sitting fees as per prescribed limit of Companies Act, 2013.	As per Resolution No. 4 Appointed as a non-executive Independent Director, not liable to retire by rotation with term and condition as per resolution 4 and sitting fees as per prescribed limit of Companies Act, 2013.
Remuneration last drawn	Rs. 1,25,000/- (Rupees One Lakh Twenty-Five Thousand only) per month.	Sitting fees for attending the Board and Committee Meetings as per prescribed limit of Companies Act, 2013.	Sitting fees for attending the Board and Committee Meetings as per prescribed limit of Companies Act, 2013.
Date of first appointment on the Board	01.06.2001	None	None
Shareholding in the company (as on 31.03.2024)	1894196 Equity Shares 351525 Warrants	Nil	01 Equity Share
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mrs. Shashi Soni (WTD) is mother of Mr. Sanjay Soni (MD) and Mother-in-law of Mrs. Kiran Soni (CFO & WTD).	NA	NA

NOTICE

The number of Meetings of the Board attended during the year	No. of Board Meetings held: 7 Attended: 7	No. of Board Meetings held: 7 Attended: 0	No. of Board Meetings held: 7 Attended: 0
Directorships, Membership/ Chairmanship of Committees of other Boards	Directorship in 1. Deep Heritage Private Limited. 2. Izmo Microsystems Private Limited	Directorship in 1. Sika Interplant Systems Limited 2. Sika Tourism Private Limited 3. VWF Industries Private Limited 4. Sikka N Sikka Engineers Private Limited	Directorship in other Companies Nil
Listed entities from which resigned in the past three years	None	None	None
In case of Independent Directors, Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	NA	Skill and Capabilities Required: Mr. Roopsing Noorsing Chawhan possesses the finance, strategy and governance skills based on his varied rich and diverse exposure during his career. He is a true global business leader as he has been involved in various International Projects.	Skill and Capabilities Required: Mr. Chethan Raghunath Reddy is an expert in matters relating to Company Law, Company Secretarial, National Company Law Tribunal and Foreign Exchange Management Law. He has an experience of over a decade and is dedicated in provide providing innovative and creative legal strategies and solutions to serve the interests of the corporates. He holds handful experience in handling matters relating to regulatory authorities and corporate compliance management. He is associated with many reputed consultancy firms handling corporate and secretarial matters independently.
Justification for choosing the Appointee	NA	As provided in the Explanatory Statement to the respective Resolution in this Notice	As provided in the Explanatory Statement to the respective Resolution in this Notice

NOTICE

The Director has furnished consent/declarations for his appointment as required under the Companies Act and Rules made thereunder. For other details of the Director, please refer to the Report on Corporate Governance, which is a part of the Annual Report 2024.

Following is details of Mrs. Shashi Soni Directorship(s) and/or Committee Membership(s):

Directorship(s) in Listed Companies (along with listed entities from which the person has resigned in the past three years)		
Sl. No.	Name of the Company	Director/ Resigned
1.	Izmo Limited	Whole-time Director

Details of Committee Membership(s) in Listed Companies (Includes only Audit and Stakeholders Relationship Committee)			
Sl. No.	Name of the Company	Name of Committee(s)	Designation (Member or Chairperson)
NA			

Following are details of Mr. Roopsing Noorsing Chawhan Directorship(s) and/or Committee Membership(s):

Directorship(s) in Listed Companies (along with listed entities from which the person has resigned in the past three years)		
Sl. No.	Name of the Company	Director/ Resigned
1.	Sika Interplant Systems Limited	NA

Details of Committee Membership(s) in Listed Companies (Includes only Audit and Stakeholders Relationship Committee)			
Sl. No.	Name of the Company	Name of Committee(s)	Designation (Member or Chairperson)
1.	Sika Interplant Systems Limited	Audit Committee	Chairperson
2.	Sika Interplant Systems Limited	Stakeholders Relationship Committee	Chairperson

Following are details of Mr. Chethan Raghunath Reddy Directorship(s) and/or Committee Membership(s):

Directorship(s) in Listed Companies (along with listed entities from which the person has resigned in the past three years)		
Sl. No.	Name of the Company	Director/ Resigned
1.	NA	NA

NOTICE

Details of Committee Membership(s) in Listed Companies (Includes only Audit and Stakeholders Relationship Committee)			
Sl. No.	Name of the Company	Name of Committee(s)	Designation (Member or Chairperson)
1.	NA	NA	-

By order of the Board
For IZMO Limited

Place: Bengaluru
Date: August 12, 2024,

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097

BOARD'S REPORT**DETAILS OF SIGNIFICANT CHANGES****Key Financial Ratios;**

As per Listing Regulations, the Company is required to give details of significant changes (Change of 25% or more as compared to the immediately previous Financial Year) in key sector - sepecific financial ratio.

S.No.	Particulars	FY 2023-24	FY 2022-23	% Change	Detailed Explanation for change (Where the change is 25% or more as compared to the immediately previous financial year)
1	Revenue (Rs. In Lakhs)	4,261.94	3,458.42	23%	Not Applicable
2	Net Profit	19.07	17.21	11%	Not Applicable
3	EBITDA	266.20	217.70	22%	Not Applicable
4	Return on Net worth	0.11%	0.10%	6%	Not Applicable
5	EPS (Basic)	0.14	0.13	9%	Not Applicable
6	EPS (Diluted)	0.14	0.13	9%	Not Applicable
7	Debtor Turnover Ratio	4.91	12.57	-61%	Decrease due to increase in average Trade receivables during FY 2023-24.
8	Interest Coverage Ratio	14.77	38.93	-62%	The decrease due to increase in Interest in CY as compared to PY. since Business loans were taken by end of FY 22-23 (last year).
9	Current Ratio	1.76	1.51	17%	Not Applicable
10	Debt Equity Ratio	0.008	0.011	-25%	Reduction due to decrease in the debt and increase in the equity
11	Operating Profit Margin (%)	6.25%	6.29%	-1%	Not Applicable
12	Net Profit Margin (%)	0.45%	0.50%	-10%	Not Applicable

Note: "Not applicable" mentioned wherever changes is not 25% or more under "Detailed Explanation for Change" column.

BOARD'S REPORT**TO THE MEMBERS:**

Your Directors are pleased to present 29th Annual Report on business and operations, together with the audited Financial Statements (consolidated as well as standalone) of your Company for the Financial Year ended March 31, 2024. (FY-2023-2024).

SHARE CAPITAL:

The Authorized Share Capital of your Company as on March 31, 2024, stood at Rs.18,00,00,000 divided into 1,80,00,000 equity shares of Rs.10/- each. The Issued, Subscribed and Paid-up Share Capital of your Company is Rs. 14,11,36,430 divided into 1,41,13,643 fully paid-up equity shares of Rs.10/- each.

During the year under review, the Company issued 13,72,620 (Thirteen Lakh Seventy-Two Thousand Six Hundred and Twenty only) Warrants, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company of face value Rs. 10/- (Rupees Ten only) ("Warrants"), at a price of Rs.88/- (Rupees Eighty Eight only) each (including the warrant subscription price and the warrant exercise price) payable in cash ("Warrant Issue Price") aggregating upto Rs.12,07,90,560/- (Rupees Twelve Crore Seven Lakh Ninety Thousand Five Hundred and Sixty only) ("Total Issue Size") to persons enlisted below who are Promoters of the Company on a preferential basis:

Sl. No.	Name of Allottees	Category	No. of Warrants	Warrant Subscription Amount (in Rs.)	Warrant Exercise Amount (in Rs.)
1.	Mrs. Shashi Soni	Promoter	6,86,310	1,50,98,820	4,52,96,460
2.	Mrs. Kiran Soni	Promoter	6,86,310	1,50,98,820	4,52,96,460
Total			13,72,620	3,01,97,640	9,05,92,920

In respect of the aforesaid 13,72,620 (Thirteen Lakh Seventy-Two Thousand Six Hundred and Twenty only) Warrants, the Company has allotted 6,69,570 fully paid up equity shares of Rs.10/- each on receipt of full Warrant Issue Price as at 31.03.2024. Also, 52,500 fully paid up Equity Shares of Rs.10/- each were allotted under ESOP. Thus, the paid up share capital of the Company has increased from Rs. 13,39,15,730 to Rs. 14,11,36,430 as follows:

Particulars	Amount in (Rs.)
Paid Up Equity Share Capital as on March 31, 2023	13,39,15,730
Allotment of 30,300 fully paid up Equity Shares of Rs.10/- each under ESOP on 19.05.2023	3,03,000
Allotment of 22,200 fully paid up Equity Shares of Rs.10/- each under ESOP on 10.11.2023	2,22,000
Allotment of 3,78,786 fully paid up Equity Shares of Rs.10/- each upon conversion of Warrants on 13.02.2024	37,87,860
Allotment of 2,90,784 fully paid up Equity Shares of Rs.10/- each upon conversion of Warrants on 06.03.2024	29,07,840
Paid Up Equity Share Capital as on March 31, 2024	14,11,36,430

All the equity shares allotted during the year under review rank pari passu with the existing equity shares of the Company.

Except as mentioned above, the Company had not issued any other shares or instruments convertible into equity shares of the Company or with differential voting rights nor has granted any sweat equity.

LISTING WITH STOCK EXCHANGES:

The Company has duly paid the Annual Listing Fee for the year 2024-2025 to both NSE and BSE, where the Company's Shares are listed.

BOARD'S REPORT

The Company was forced to pay Annual Listing Fee for the year 2024-2025 by The Calcutta Stock Exchange Limited (CSE), even though the securities of the Company were duly delisted during the Financial Year 2004-2005.

DIVIDEND:

In order to augment the ongoing expansion programs, the Directors have decided to plough back the profits into the system and therefore do not recommend dividend.

TRANSFER TO RESERVE:

Your Directors do not propose to carry any amount to reserves, during the Financial Year ended March 31, 2024.

CORPORATE UPDATES:

During the year under review, the Company issued 13,72,620 (Thirteen Lakh Seventy-Two Thousand Six Hundred and Twenty only) Warrants, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company of face value Rs. 10/- (Rupees Ten only) ("Warrants"), at a price of Rs.88/- (Rupees Eighty Eight only) each (including the warrant subscription price and the warrant exercise price) payable in cash ("Warrant Issue Price") aggregating upto Rs.12,07,90,560/- (Rupees Twelve Crore Seven Lakh Ninety Thousand Five Hundred and Sixty only) ("Total Issue Size") to persons enlisted below who are Promoters of the Company on a preferential basis:

Sl. No.	Name of Allottees	Category	No. of Warrants	Warrant Subscription Amount (in Rs.)	Warrant Exercise Amount (in Rs.)
1	Mrs. Shashi Soni	Promoter	6,86,310	1,50,98,820	4,52,96,460
2	Mrs. Kiran Soni	Promoter	6,86,310	1,50,98,820	4,52,96,460
Total			13,72,620	3,01,97,640	9,05,92,920

In respect of the aforesaid 13,72,620 (Thirteen Lakh Seventy-Two Thousand Six Hundred and Twenty only) Warrants, the Company has allotted 6,69,570 fully paid up equity shares of Rs.10/- each on receipt of full Warrant Issue Price as at 31.03.2024 as follows:

Particulars	Amount in (Rs.)
Allotment of 3,78,786 fully paid up Equity Shares of Rs.10/- each upon conversion of Warrants on 13.02.2024	37,87,860
Allotment of 2,90,784 fully paid up Equity Shares of Rs.10/- each upon conversion of Warrants on 06.03.2024	29,07,840

Balance 7,03,050 Warrants should be allotted on or before 18.11.2024 i.e within 18 months from the date of allotment being 19.05.2023.

The details of utilization of the Funds raised through issuance of Warrants convertible into equity shares, on preferential basis and the balance outstanding as on March 31, 2024 are provided in the Corporate Governance Report. During the quarter ended March 31, 2024, there was no deviation or variation in the use of funds raised through Issue of Warrants convertible into Equity Shares, issued on preferential basis from the Objects as stated in the Explanatory Statement to the Notice of Extraordinary General Meeting of the Company dated April 21, 2023.

HUMAN RESOURCES:

We at Izmo Limited pride ourselves of providing opportunities regardless of race, gender, ability and background. While our vision, mission and values form the bedrock on which our promises are built, it is our strong and positive culture that enables us to work towards that common goal. We continue to groom talent with the requisite competencies to empower them to perform their roles effectively, while we continue to drive diversity, inclusion and equity in our workplace.

BOARD'S REPORT

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

In light of the aforesaid provisions, the Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

EXTRACT OF ANNUAL RETURN:

As per the requirements of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the annual return as on March 31, 2024 is available on the Company's website at <https://www.izmoltd.com/annual-return-en-in.htm>.

NUMBER OF MEETINGS OF THE BOARD:

During the year under review 07 (Seven) meetings of the Board of Directors were held, details of which are set out in the Corporate Governance Report which forms part of this Report.

BOARD COMMITTEES:

Detailed composition of the Board committees namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms part of this Report.

There have been no instances where the Board has not accepted any recommendation of any of the Committees of the Board.

STATEMENT ON DECLARATION OF INDEPENDENT DIRECTORS:

The Board of Directors of the Company comprises of optimum number of Independent Directors. Based on the confirmation / disclosures received from the Directors, the following Non-Executive Directors are Independent in terms of the Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of the SEBI (LODR) Regulations, 2015 as on March 31, 2024:

1. Mr. Ramanujam Krishnamurthy
2. Mr. Vijay Gupta
3. Mr. Vasanth Kumar

BOARD'S REPORT

The Company has received Certificate of Independence from the Independent Directors inter- alia, pursuant to Section 149 of the Companies Act, 2013, and under Listing Regulations confirming and certifying that they have complied with all the requirements of being an Independent Director of the Company. The said Certificate(s) were taken on record by the Board, at its meeting held on May 30, 2024.

AUDIT COMMITTEE:

The Board of Directors of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory and Internal Auditors and the Board. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made there under and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015). Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Board of Directors of your Company has adopted Nomination and Remuneration Policy (Policy) for identification, selection and appointment of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel (SMP) and other employees, in terms of provisions of the Companies Act, 2013 and Listing Regulations, as amended from time to time. The Policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, 2015.

Your Board, on the recommendations of the Nomination and Remuneration Committee appoints Director(s) of the Company based on his / her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of three years. Independent Directors of the Company are appointed to hold their office for a term of upto five consecutive years on the Board of your Company. Based on their eligibility for re-appointment, the outcome of their performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Independent Directors may be re-appointed by the Board for another term of upto five consecutive years, subject to the approval of the Members of the Company. The same is available on the Company's website on <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY:

Details as required under Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), are annexed to this Board's Report and marked as **Annexure-C** and **Annexure-D**.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013:

The Directors confirm that –

- a) In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed and there were no material departures;

BOARD'S REPORT

- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as at March 31, 2024 and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-2024.

EXPLANATION AND COMMENTS BY THE BOARD ON EVERY QUALIFICATION / RESERVATION / ADVERSE REMARK/DISCLAIMER BY THE AUDITORS IN THEIR REPORTS:

The statutory Auditor's Report and Secretarial Audit Report do not contain any qualification, disclaimer, reservation or adverse remark or disclaimer except the following in the Secretarial Audit Report:

The Company had received a Notice from The Calcutta Stock Exchange Limited (CSE) dated 09.01.2024 for alleged non-compliance of various regulations of SEBI LODR, 2015 and inter alia CSE in the said Notice claimed that the securities of the listed entity had been suspended since 21.03.2014. I am given to understand that to avoid litigation, in response to the said Notice, the listed entity had made a revocation application as per the said Notice of CSE to remove the suspension and consequently apply for delisting from CSE and further the said revocation application is pending as on the date of this certificate.

Explanation/Comments by the Board:

In fact, the Company did receive a Notice from The Calcutta Stock Exchange Limited (CSE) dated 09.01.2024 for alleged non-compliance of various regulations of SEBI LODR, 2015 and inter alia CSE in the said Notice claimed that the securities of the Company had been suspended since 21.03.2014. To avoid litigation, in response to the said Notice, the Company has made a revocation application as per the said Notice of CSE to remove the suspension and consequently apply for delisting from CSE. The said revocation application is pending as on the date of this Report.

Secretarial Audit Report as issued by the Secretarial Auditor is annexed to this Report and marked as **Annexure – E**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of the loan granted are mentioned in the Note No. 34 of Notes to the Standalone Financial Statement pursuant to Section 186 (4) read with Companies (Meetings of Board and its Powers) Rules, 2014. The details of guarantee given and security provided by the Company are stated in Note. No.41 of Notes to the Standalone Financial Statement. Full particulars of investments made are stated in Note No.6 to the Standalone Financial Statement.

BOARD'S REPORT

RELATED PARTY TRANSACTIONS:

All related party transactions as referred in Section 188(1) of the Companies Act, 2013 read with the rules made there under that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business.

All Related Party Transactions were placed before the Audit Committee. Requisite approval of the Audit Committee is obtained on periodic basis for the transactions which are repetitive in nature or otherwise. The actual transactions entered into pursuant to the approval so granted are placed at quarterly meetings of the Audit Committee.

Your Directors draw attention of the members to Note. No. 34 of notes to the Financial Statement which sets out related party disclosures.

The Company has formulated a Policy on related party transactions. This policy approved by the Board is uploaded on the Company's website on the below link: <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

MATERIAL TRANSACTIONS WITH RELATED PARTIES:

The Company has not entered any material transaction with related parties during the year under review which requires reporting in Form AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014. However, the requisite disclosure in this regard is given in this report as **Annexure-A**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year on March 31, 2024 to which the Financial Statements relate and the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

In compliance with the provisions of Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 (as amended), information on conservation of energy, technology absorption, foreign exchange earnings and outgo of the Company during the year under review are mentioned below:

A. CONSERVATION OF ENERGY:

The operations of the Company are not energy intensive. The provisions relating to disclosure of details regarding energy consumption, both total and per unit of production are not applicable as the Company is engaged in the service sector and provides IT and IT related services.

Efforts has been made to ensure optimal usage of energy, avoid wastage and conserve energy. As an ongoing process the Company continues to undertake the energy conservation measures to minimize the usage of energy. Below are some of our conscious efforts in energy conservation:

- Installing LED lights which reduces electricity consumption.
- Continuous monitoring of floor areas after normal working hours and switching off lights.
- Periodic UPS and AC maintenance to ensure efficient working of equipment.
- Replacing old monitors with energy efficient Laptop's which lead to significant reduction in energy consumption.
- Migrating from in-house computing infrastructure to cloud leading to significant energy and cost savings.
- Efforts in removing dead loads during weekends. (Turn Off/Plug out Heating elements of vending machines, turn off Lighting circuits, ensure all manual operating loads are cut off etc).

BOARD'S REPORT

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT (R&D):

The Company uses the latest technology available in modern technology applications. Indigenous technology available is continuously being upgraded to improve overall performance. The Company has a dedicated team of technically competent personnel who relentlessly work on technology up gradation and development related fields.

Research and Development continues to be given very high priority in Software Technology in the area of telecommunications, and hardware technology in the area of embedded systems.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

During the year, the details of Foreign Exchange transactions were:

(Amount in Rs. Lakhs.)

Foreign exchange earnings and outgo		FY 2023-24	FY 2022-23
a.	Foreign exchange earnings	3779.75	3349.10
b.	CIF Value of Imports	0	0
c.	Expenditure in foreign currency	35.39	21.73

RISK MANAGEMENT:

A detailed report on Risk Management is included in Management Discussion and Analysis which forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY:

It is not mandatory for your company to constitute a Corporate Social Responsibility Committee as it does not fall under the criteria mentioned in Section 135 of Companies Act, 2013.

EVALUATION OF BOARD AND ITS COMMITTEES:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. Was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors, performance of non-Independent Directors, the Board as a whole and Chairperson of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

BOARD'S REPORT

CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there is no change in the nature of the business.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointment/Re-appointment:

As on March 31, 2024, the Board of Directors of your Company comprised of six Directors, viz., three Executive Directors and three Independent Directors including two women Executive Directors. Pursuant to the provision of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Shashi Soni (DIN: 00609217) retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice of 29th Annual General Meeting of the Company.

The Board at its meeting held on 11th August 2023, on basis of the recommendation of the Nomination and Remuneration Committee had approved the re-appointment of Mrs. Kiran Soni (holding DIN: 08262670) as the Whole-time director with the designation as Executive Director of the Company for a period of three years with effect from 1 January 2024. The members at the 28th AGM of the Company held on 26th September 2023 had approved the said re-appointment with requisite majority.

Based on recommendation of Nomination and Remuneration Committee the Board of Directors at their meeting held on 12th August, 2024 proposed candidature of Mr. Roopsing Noorsing Chawhan (DIN:00568833) in the Notice of 29th Annual General Meeting of the Company to seek approval of members to appoint him as a Non-Executive Independent Director for a period of five years with effect from September 30, 2024 and on such terms and condition as decided by the Board.

Based on recommendation of Nomination and Remuneration Committee the Board of Directors in their meeting held on 12th August, 2024 proposed candidature of Mr. Chethan Raghunath Reddy (DIN:10697692) in the Notice of 29th Annual General Meeting of the Company to seek approval of members to be appointed as Independent Director for a period of five years with effect from September 30, 2024 and on such terms and condition as decided by the Board.

Changes in Key Managerial Personnel:

During the period under review Mr. Danish Reza, Company Secretary and Compliance Officer of the Company (Key Managerial Personnel) resigned from the position as Company Secretary and Compliance Officer with effect from close of business hours of April 14, 2023 to pursue his interest outside the organization. The Board placed on record its appreciation for the valuable services rendered by Mr. Danish Reza in their Board Meeting held on May 19, 2023.

As per the recommendation made by Nomination and Remuneration Committee, the Board of Directors appointed Ms. Sonal Jaju, as a Company Secretary and Compliance Officer of the Company with effect from May 19, 2023 in the vacancy created by the resignation of the aforesaid Mr. Danish Reza.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Pursuant to the provisions of Section 203 of the Act, Mr. Sanjay Soni, Managing Directors, Mrs. Kiran Soni, Whole Time Director & Chief Financial Officer and Ms. Sonal Jaju, Company Secretary & Compliance Officer were the Key Managerial Personnel of the Company as on March 31, 2024.

BOARD'S REPORT

DEPOSITS:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2024.

PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS:

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company, containing requisite information for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Corporate Governance Report, which forms part of this Report.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has duly complied with the applicable provisions of the Revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

MAINTENANCE OF COST RECORDS:

The maintenance of Cost Record has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Further, your Company is not required to maintain cost records under Section 148 of the Act.

INTERNAL FINANCIAL CONTROL:

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report.

SUBSIDIARY COMPANIES:

Your Company along with subsidiaries provides software solutions and services globally. Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 (as amended), a statement containing the salient features of Financial Statements of the aforesaid Subsidiaries (including highlights of their performance and contribution to the overall performance of the Company) has been provided in **Form AOC-1** annexed as **Annexure-B** which forms part of this Annual Report.

The Company has framed policy for determining material subsidiaries as per requirement of explanation to Regulation 16 (1) (c) in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, has uploaded the same on company's website: <https://www.izmold.com/policies-and-code-of-conduct-en-in.htm>

During the year under review, your Company has incorporated a Wholly Owned Subsidiary in the name and style - **IZMO MICROSYSTEMS PRIVATE LIMITED.**

The Audited Consolidated Financial Statements (CFS) of your Company for the Financial Year ended March 31, 2024, prepared in compliance with the provisions of Ind-AS issued by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs (MCA), Government of India also form part of this Annual Report.

BOARD'S REPORT

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited/unaudited financial statements in respect of subsidiaries, are available on the Company's website at <https://www.izmoltd.com/general-meeting-en-in.htm>.

The annual accounts of the Company and of the Subsidiary Companies are open for inspection by any investor at the Registered Office of the Company. The Company will also make available copies of these documents to investors upon receipt of request from them. The investors, if they desire, may write to the Company at company.secretary@izmoltd.com to obtain a copy of the financial statements of the Subsidiary Companies.

ASSOCIATE COMPANY/JOINT VENTURE:

The Company does not have any associate company, nor has it entered into a joint venture with any other company.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The Statement showing ratio of the remuneration of each Director to the median employee's remuneration pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed with this report as **Annexure-C**

The statement showing the names of the top ten employees in terms of remuneration drawn for the year ended March 31, 2024 pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as annexed with this report as **Annexure-D**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 of the Act and Rules framed there under read with Regulation 22 of the Listing Regulations, your Company has established a vigil mechanism to report genuine concerns. The Policy provides for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Governance and Ethics. The policy is uploaded on the website of the Company at www.izmoltd.com and is available at the link <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/ Employee has been denied access to the Chairman of the Audit Committee. Brief details about the policy are provided in the Corporate Governance Report attached as **Annexure G** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report is given as a separate section in this Annual Report and is annexed to this Report.

AUDIT AND AUDITORS:

Statutory Auditors:

Mr. Ramaswamy Vijayanand, Chartered Accountant (Membership No.: 202118) was duly appointed as the Statutory Auditor of the Company for a period of 5 (five) consecutive years starting from FY 2022-23 to FY 2026-27 on such terms including remuneration, reimbursement of expenses (if any) as may be fixed and determined by the Board of Directors of the Company by passing an ordinary resolution dated September 26, 2022.

The reports given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

BOARD'S REPORT

Reporting of frauds by Auditors

During the year under review, there have been no instances of fraud reported by the Auditors to the Audit Committee of the Board, pursuant to Section 143(12) of the Act and the Rules made thereunder.

The Board has placed on record its sincere appreciation for the services rendered by Mr. Ramaswamy Vijayanand, Chartered Accountant (Membership No.: 202118), as Statutory Auditor of the Company.

Secretarial Auditor:

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), your Board at its meeting held on May 30, 2023 appointed Mr. Syed Shahabuddin, (ICSI Membership No. ACS 4121 and C.P. No. 11932) Company Secretary, having office at 85/2, Muniswamappa Road, 01st Cross Road, J C Nagar, Bangalore-560006 as the Secretarial Auditor of the Company to conduct the Secretarial Audit for Financial Year ended March 31, 2024.

The report of the Secretarial Audit as received from Mr. Syed Shahabuddin in the prescribed Form MR-3 is annexed herewith to the Board Report and marked as **Annexure-E** and does not contain any qualification, reservation, adverse remark or disclaimer in his Report except the following note, which is duly explained hereinabove:

The Company had received a Notice from The Calcutta Stock Exchange Limited (CSE) dated 09.01.2024 for alleged non-compliance of various regulations of SEBI LODR, 2015 and inter alia CSE in the said Notice claimed that the securities of the listed entity had been suspended since 21.03.2014. I am given to understand that to avoid litigation, in response to the said Notice, the listed entity had made a revocation application as per the said Notice of CSE to remove the suspension and consequently apply for delisting from CSE and further the said revocation application is pending as on the date of this certificate

The Secretarial Compliance Report as received from Mr. Syed Shahabuddin, the Secretarial Auditor of the Company, as per the requirement of SEBI (LODR) 2015 is annexed herewith to the Board Report and marked as **Annexure-F**.

Internal Auditors:

The Board had appointed Mr. M. Venkatesha, Chartered Accountant having Membership No.: 232131 as Internal Auditors of the Company pursuant to Section 138 of the Companies Act, 2013 for the F.Y. 2023-2024 and he has completed the internal audit as per scope given by the Audit Committee for the Financial Year 2023-2024.

CORPORATE GOVERNANCE

The Company continues to benchmark itself with the best-of-the-class practices as far as corporate governance standards are concerned. The Company has complied with the requirements provided in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The compliance report on the various requirements under the said clause along with the Practicing Company Secretary certification thereof is provided in the corporate governance section of this report at **Annexure G**.

SIGNIFICANT AND MATERIAL LITIGATIONS / ORDERS:

During the year under review, there were no significant material orders passed by the Regulators / Courts and no litigation was outstanding as on March 31, 2024, which would impact the going concern status and future operations of your Company. The details of litigation on tax matters are disclosed in the Auditor's Report and Financial Statements which form part of this Annual Report.

BOARD'S REPORT**EMPLOYEES STOCK OPTION PLAN**

Currently, the Company has two Employees Stock Option Schemes namely 'Employee Stock Option Plan 2013' and 'Employee Stock Option Plan 2016'.

1. Employee Stock Option Plan 2016

With regards to Employee Stock Option Plan 2016, the Company has obtained approval from its Shareholders by passing a special resolution at the AGM held on 10th September, 2016 and further course of action and approval from the various regulatory will be obtained in due course of time with the direction/approval from the Board of director/committee. Hence, further disclosure with regards Section 62 read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 & other disclosure with regard to clause 14 of SEBI (Share Based Employee Benefits) Regulation, 2014 does not arise as on this report date.

2. Employee Stock Option Plan 2013

Disclosures for the Financial Year ended March 31, 2024 regarding Employee Stock Option Plan 2013 in terms of Companies (Share Capital and Debenture) Rules, 2014 are as below:

Particulars	Employee Stock Option Plan 2013			
	(F.Y 2023-24)	(F.Y 2022-23)	(F.Y 2021-22)	(F.Y 2020-21)
Option granted	72439	130500	NIL	225000
Option vested	94050	67500	274400	205800
Option exercised	52500	37200	167200	124500
The total no. of shares arising as a result of exercise of option	52500	37200	167200	124500
Options lapsed/cancelled during the year	55950	36600	107200	81300
The exercise price	Rs. 10 /-	Rs. 10 /-	Rs. 10 /-	Rs. 10 /-
Variation of terms of options	No variation in the terms of options during the year under review.	No variation in the terms of options during the year under review.	No variation in the terms of options during the year under review.	No variation in the terms of options during the year under review.
Money realized by exercise of options	Rs. 5,25,000	Rs. 3,72,000	Rs. 16,72,000	Rs. 12,45,000
Total no. of options in force	280939	235500	499400	499400
EMPLOYEES WISE DETAILS OF OPTION GRANTED				

BOARD'S REPORT

Key Managerial Personnel (KMP)	No options were granted to KMPs during the year under review	No options were granted to KMPs during the Period under review	Mr. Danish Reza, Company Secretary and Compliance officer Were Granted 6000 Options during the year under review.	No options were granted to KMPs during the year under review.
Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	NIL	NIL	NIL	NIL
Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL	NIL	NIL	NIL

Disclosure on ESOPs details of options granted, shares allotted on exercise, etc. as required under Employee Benefits Regulations read with SEBI circular no. CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015 are available on the Company's website: <http://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Internal Complaints Committee (ICC)

Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the organization.

The Company has in place an Anti-Sexual Harassment Policy, *inter-alia*, in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also complied with the provision relating to the constitution of Internal Complaints Committee (ICC) to redress complaints. There were no complaints received during the year under review and also there are no pending complaints before the ICC. The Policy is also available in the website of the Company at <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>.

GENERAL:

- a) During the year, the Company has not made any application under the Insolvency and Bankruptcy Code, 2016. Further, there is no Corporate Insolvency Resolution Process initiated against the Company under the IBC Code.
- b) During the year, there was no one-time settlement done with the Banks or Financial Institutions.

BOARD'S REPORT**ACKNOWLEDGEMENTS:**

Your directors place on record their deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions for all the support rendered during the year. The Directors are thankful to the Government of India, the various ministries of the State Governments, the Central and State electricity regulatory authorities, communities in the neighbourhood of our operations, and local authorities in areas where we are operational in India, as also partners, governments, and stakeholders in international geographies where the Company operates, for all the support rendered during the year. Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is.

Place: Bangalore
Date: August 12, 2024

By order of the Board
for IZMO Limited

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097
Address: Flat No. 9, Prestige
Casablanca Apartments, 12/1, Airport
Road, Bangalore-560017

Sd/-
Shashi Soni
Chairperson and Wholetime Director
DIN: 00609217
Address: Flat No. 9, Prestige Casablanca
Apartments, 12/1, Airport Road, Bangalore-560017

BOARD'S REPORT**ANNEXURE-A****FORM NO. AOC- 2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
 - (a) Name(s) of the related party and nature of relationship:
 - (b) Nature of contracts/arrangements/transactions:
 - (c) Duration of the contracts/arrangements/transactions:
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions:
 - (f) date(s) of approval by the Board:
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis : **NIL**
 - (a) Name(s) of the related party and nature of relationship:
 - (b) Nature of contracts/arrangements/transactions:
 - (c) Duration of the contracts/arrangements/transactions:
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (e) Date(s) of approval by the Board, if any:
 - (f) Amount paid as advances, if any:

Place: Bangalore
Date: August 12, 2024

By order of the Board
for IZMO Limited

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097
Address: Flat No. 9, Prestige
Casablanca Apartments, 12/1,
Airport Road, Bangalore-560017

Sd/-
Shashi Soni
Chairperson and Wholetime Director
DIN: 00609217
Address: Flat No. 9, Prestige Casablanca
Apartments, 12/1, Airport Road,
Bangalore-560017

BOARD'S REPORT**ANNEXURE-B****Form AOC-I**

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013 FOR THE FINANCIAL YEAR 2023-24

Part "A" : Subsidiaries

S No.	Particulars	Europe Subsidiary	US Subsidiary	Singapore Subsidiary	France Subsidiary	Frog Data Subsidiary	Groupe izmo	Izmo Consulting	Izmo Microsystems
1	Sl.No.	1	2	3	4	5	6	7	8
2	Name of the Subsidiary	Izmo Europe BVBA	Izmo Inc.,	Midrange Software Pte Ltd	Izmo France SARL	Frog Data LLC	Groupe izmo	Izmo Consulting	Izmo Microsystems Pvt. Ltd.
3	Reporting period	Apr'23 to Mar'24	Apr'23 to Mar'24	Apr'23 to Mar'24	Apr'23 to Mar'24	Apr'23 to Mar'24	Apr'23 to Mar'24	Apr'23 to Mar'24	15th December'23 to Mar'24
4	a) Reporting Currency	Euros	USD	SGD	Euros	USD	Euros	Euros	INR
	b) Exchange rate as on 31.03.2024	90.22	83.37	61.78	90.22	83.37	90.22	90.22	1.00
5	Share Capital	111,413,004	1,527,501,830	55,123,998	3,195,320	6,504,410	8,680,881	825,800	100,000
6	Reserves & Surplus	18,983,735	1,353,381,309	(48,280,709)	8,506,388	(71,629,533)	27,016	(17,837,707)	(3,446,977)
7	Total Assets	142,760,512	3,039,727,937	138,167,651	149,660,284	91,372,996	23,550,126	9,240,768	21,950,410
8	Total Liabilities	12,363,773	158,844,798	131,324,362	137,958,576	156,498,119	14,842,229	26,252,675	25,297,387
9	Investments	-	37,721,008	70,564,619	825,800	-	3,195,320	-	-
10	Turnover	95,421,540	903,401,075	13,889	330,264,874	414,402,236	4,907,969	17,150,821	-
11	Profit before Taxation	1,984,839	206,175,705	20,899	14,913,556	62,355,428	3,527,255	(17,133,020)	(3,446,977)
12	Provision for Taxation	-	-	-	4,677,236	-	235,036	-	-
13	Profit after Taxation	1,984,839	206,175,705	20,899	10,236,320	62,355,428	3,292,219	(17,133,020)	(3,446,977)
14	Proposed Dividend	-	-	-	-	-	-	-	-
15	% of Shareholding	100% along with our Subsidiary	100%	100%	100% held by Groupe izmo, step down susidiary	100% held by our US subsidiary	100% held by our US subsidiary	100% held by Izmo France, step down subsidiary	100%

Note: 1. Name of the Subsidiary which is yet to commence operations : NIL
2. Name of the Subsidiaries which have been liquidated or sold during the year : NIL

Place: Bangalore
Date: August 12, 2024

By order of the Board
for IZMO Limited

Sd/-
Sanjay Soni
Chair Person and Wholetime Director
DIN: 00609097
Address: Flat NO. 9, Prestige Casablanca
Apartments, 12/1, Airport Road,

Sd/-
Shashi Soni
Chair Person and Wholetime Director
Address: Flat NO. 9, Prestige Casablanca
Apartments, 12/1, Airport Road,
Bangalore - 560017

BOARD'S REPORT**ANNEXURE-C****Ratio of Managerial Remuneration**

Sl. No.	Particulars	Explanation
i.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	24.89:1 (Sanjay Soni) 5.45:1 (Shashi Soni) 9.35:1 (Kiran Soni)
ii.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	There is no change in remuneration of Managing Director. 20% increase in remuneration of CFO & Whole-time Director.
iii.	The percentage increase in the median remuneration of employees in the financial year	0.51% (Decrease in median remuneration of employees)
iv.	The number of permanent employees on the rolls of company:	386 employees
v.	Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	11%:20% (CFO & Whole-time Director salary has been increased in current FY (FY 23-24) which is done after gap of 3 years)
vi.	Affirmation that the remuneration is as per the remuneration policy of the company:	The remuneration of directors, senior management and employees is as per the Remuneration Policy of the company.

Place: Bengaluru
Date: 12th August, 2024.

By order of the Board
For Izmo Limited

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097
Address: Flat No. 9,
Prestige Casablanca Apartments,
12/1, Old Airport Road, Bangalore- 560017

Sd/-
Shashi Soni
Chairperson and Wholetime Director
DIN: 00609217
Address: Flat No. 9,
Prestige Casablanca Apartments,
12/1, Old Airport Road, Bangalore- 560017

Annexure-D to the Board's Report

STATEMENT UNDER SECTION 197 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FY 2023-24

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR

Sl. No	Name	Designation	Remuneration received in INR	Qualification & Experience (No. of years)	Date of commencement of employment in the Company	Age	Last employment held by such employee, before joining the company	Whether any such employee is relative of any Director	The percentage of equity shares held by the employee in the company
1	Sarbashish Bhattacharjee	Chief Technology Officer	1,18,30,140	B.Sc & BCA 26.01	10-Jul-2014	51.9	Megalon Group	No	0.0850
2	Sanjay Soni	Managing Director	1,00,08,055	B. Com & MBA 28.9	08-Sep-1995	56.2	NA	Yes	3.90
3	Venkoba Rao Dagudu	Senior Technical Architect	56,75,928	MCA 18.2	19-Jan-2015	41.9	Infosys Limited	No	0.0092
4	Vinay Narayana	Delivery Manager	47,76,468	MS 18.1	12-Jan-2015	41.2	Educomp Learning Pvt. Ltd.	No	0.0064
5	Dipankar Kacharia	Director -Operations	37,53,122	B.A 22.4	27-May-2014	46.3	Wipro Technologies	No	0.000021
6	Kiran Soni	Whole Time Director - Chief Financial Officer	33,96,540	B. Com & CA 28.9	08-Sep-1995	56.7	NA	Yes	14.58
7	Sivasekhar Ramalah	Technical Architect	33,37,075	MCA 26.7	10-Nov-2021	47.5	KHR Technologies	No	0
8	Praveen Vinayak Pandit	Manager- Data Engineering	31,63,261	B. Com & MBA 27.6	18-Apr-2002	51.1	Black Global Solutions	No	0.0078
9	Sankar R	Senior UI Lead	29,22,384	M.sc 22.7	01-Dec-2014	46.6	IFB Support Services Private Limited	No	0
10	S D Gopi	Associate Director - Finance and Accounts	29,05,708	B. Com, CA22.0	01-Aug-2012	44.9	Celstream Technologies P.Ltd	No	0.0709

Notes:

1) Remuneration as shown above includes salary, allowances, bonus, Company's contribution to the provident fund, gratuity and superannuation fund and other perquisite value calculated as per Income Tax Rules, wherever applicable.

2) The above details are of employees, who are on permanent basis, located in India.

Place: Bengaluru
Date: 12th August 2024

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097

Address: Flat No.9, Prestige Casablanca Apartments, 12/1, Airport Road, Bengaluru-560017

By order of the Board
for IZMO Limited

Sd/-
Shashi Soni
Chairperson and Whole time Director
DIN: 00609217
Address: Flat No. 9, Prestige Casablanca Apartments, 12/1, Airport Road Bengaluru-560017

BOARD'S REPORT

BOARD'S REPORT**ANNEXURE-E**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED: **31st March, 2024**

To:

The Members
 IZMO LIMITED
 #177/2C Billekahalli Industrial Area,
 Bannerghatta Road,
 Bengaluru 560076

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IZMO Limited (Hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the Financial Year ended on March 31, 2024 (hereinafter referred to as "the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. The Company had not obtained any External Commercial Borrowing during the period under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015);
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

BOARD'S REPORT

- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (vi) Other laws applicable specifically to the Company namely:
 - Information Technology Act, 2000 and the rules made thereunder.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1) on meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into with both the Stock Exchanges (BSE & NSE).

I have not examined compliance by the Company with respect to applicable financial laws like direct and indirect tax laws, since the same have been subject to review by statutory auditors and other designated professionals.

During the audit period, the Company has complied with the provisions of the Acts Rules, Regulations, Guidelines, etc., mentioned above subject to the following:

The Company had received a Notice from The Calcutta Stock Exchange Limited (CSE) dated 09.01.2024 for alleged non-compliance of various regulations of SEBI LODR, 2015 and inter alia CSE in the said Notice claimed that the securities of the listed entity had been suspended since 21.03.2014. I am given to understand that to avoid litigation, in response to the said Notice, the listed entity had made a revocation application as per the said Notice of CSE to remove the suspension and consequently apply for delisting from CSE and further the said revocation application is pending as on the date of this certificate.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board were unanimous and no dissenting views have been recorded.

BOARD'S REPORT

I further report that based on the Certificate of Compliance furnished by the Managing Director, CFO and Company Secretary of the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with other applicable laws, rules and regulations.

I further report that based on the management representation of the Company during the audit period, there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, except non-compliance of SEBI LODR, 2015 with Calcutta Stock Exchange.

Place: Bangalore

Date: 31.05.2024

Syed Shahabuddin
Company Secretary
Membership No: 4121
Certificate of Practice No: 11932
Peer Review No. 3387/2023
UDIN: A004121F000509076

BOARD'S REPORT**ANNEXURE-F****Secretarial Compliance Report of IZMO Limited for the year ended March 31, 2024**

I have examined:

- (a) all the documents and records made available to us and explanation provided by IZMO Limited ("the listed entity");
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity;
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015);
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

BOARD'S REPORT

Based on the above examination, I hereby report that, during the Audit Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines Including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
*NIL										

* The Company had received a Notice from The Calcutta Stock Exchange Limited (CSE) dated 09.01.2024 for alleged non-compliance of various regulations of SEBI LODR, 2015 and inter alia CSE in the said Notice claimed that the securities of the listed entity had been suspended since 21.03.2014. I am given to understand that to avoid litigation, in response to the said Notice, the listed entity had made a revocation application as per the said Notice of CSE to remove the suspension and consequently apply for delisting from CSE and further the said revocation application is pending as on the date of this certificate.

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines Including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NOT APPLICABLE										

BOARD'S REPORT

Additional Affirmations pursuant to Circular Ref No: NSE/CML/ 2023/21 dated March 16, 2023 read with Circular Ref No: NSE/CML/ 2023/30 dated April 10, 2023:

SI No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	-
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/ guidelines issued by SEBI 	Yes	-
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	Yes	-
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	<u>To examine details related to Subsidiaries of listed entities:</u> a) Identification of material subsidiary companies b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	-
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	<u>Related Party Transactions:</u> a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit committee.	a)Yes b)NA	b)Please refer point no. 8(a)
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-

BOARD'S REPORT

10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	
12.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/ guidance note etc.	Yes	-

Place: Bangalore

Date: 17.05.2024

Syed Shahabuddin
Company Secretary
Membership No: 4121
Certificate of Practice No: 11932
Peer Review No. 3387/2023
UDIN: A004121F000391057

CORPORATE GOVERNANCE REPORT

ANNEXURE-G

1. Company's Corporate Governance Philosophy:

Corporate Governance is a set of systems, policies and practices deep-rooted in the Company's philosophy to ensure that the affairs are being managed in a way which affords accountability, transparency, fairness in all its transactions with all its stakeholders. The Company believes that good governance practices stem from the culture and mind-set of the organization. Effective corporate governance is the strong foundation on which commercial enterprises are built and succeed. The Company's philosophy of Corporate Governance that of timely disclosures, transparent accounting policies and a strong and Independent Board, goes a long way in preserving all stakeholders' interest, while maximizing long-term shareholder worth.

A report, inter-alia, in line with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations") for the year ended March 31, 2024, is given below:

2. Board of Directors:

A. Size and Composition of Board:

The composition of the Board of Directors of the Company represents an optimum combination of professionalism, knowledge and experience.

Good Governance cannot be imposed from the outside. It must come from within. Hence, the Board of Directors, at the apex of a Company's corporate governance structure, is the key factor to ensure highest standards of corporate governance. Their contribution is immensely important for ensuring appropriate directions with regard to leadership, vision, strategy, policy making, monitoring and achieving greater levels of performance. The Company's Board of Directors is characterized by independence, professionalism, transparency in decision making and accountability. It comprises optimum combination of Executive and Non-Executive Directors, each of whom adds value and brings independent view in the decision-making process. As per statutory requirements, Company has duly constituted Board and is consisting an optimum mix of Executive, Non-executive & Independent Directors.

As on March 31, 2024 the Board comprises of Six (6) Directors, three of which is Executive Directors and three are Independent Non-Executive Directors. The Company has executive chairperson from the Promoter Group.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all Companies in which he/she is a Director. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed companies. The necessary disclosures regarding directorships/committee positions have been made by all the Directors.

B. Board Meetings:

The Board of Directors of the Company met 7 (Seven) times during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

CORPORATE GOVERNANCE REPORT

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
1	May 19, 2023	2	May 30, 2023
3	August 11, 2023	4	November 10, 2023
5	December 06, 2023	6	February 13, 2024
7	March 06, 2024		

The necessary quorum was present for all the meetings.

C. The composition of the Board as on March 31, 2024, along with attendance of Board/AGM during the year are given below:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2024, are given herein below. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Sl. No.	Name of the Director	Category	Date of Appointment	Date of Cessation	Attendance in Board Meetings during 2023-2024	Attendance in last AGM as on September 26, 2023.
1	Mrs. Shashi Soni	Chairperson Whole-Time Director Promoter	01.10.2010	-	7	Yes
2	Mr. Sanjay Soni	Managing Director Executive Director Promoter	01.04.2007	-	6	Yes
3	Mrs. Kiran Soni	Whole-Time Director Chief Financial Officer Promoter	19.08.2020	-	7	Yes
4	Mr. Ramanujam Krishnamurthy	Non-Executive Independent Director	30.09.2014	-	7	Yes
5	Mr. Vijay Gupta	Non-Executive Independent Director	23.07.2004	-	7	Yes
6	Mr. Vasanth Kumar	Non-Executive Independent Director	14.02.2022	-	7	Yes

CORPORATE GOVERNANCE REPORT

Sl. No.	Name of Director	No. of Board of Directors or Committees, in which a Director is a Member or Chairperson as on March 31, 2024.			
		Name of Company	Directorships	Committee	
				Member	Chairman
1	Mr. Sanjay Soni	Izmo Limited (Listed Company)	Managing Director	NIL	NIL
		D'gipro Design Automation and Marketing Private Limited	Director		
		Hughes Precision Manufacturing Private Limited	Managing Director		
		Izmo Microsystems Private Limited	Director		
2	Mrs. Shashi Soni	Izmo Limited (Listed Company)	Chairperson Whole Time Director	NIL	NIL
		Deep Heritage Private Limited	Director		
		Hughes Precision Manufacturing Private Limited	Director		
		Izmo Microsystems Private Limited	Director		
3	Mrs. Kiran Soni	Izmo Limited (Listed Company)	Chief Financial officer & Whole Time Director	NIL	NIL
		Izmo Microsystems Private Limited	Director		
4	Mr.Ramanujam Krishnamurthy	Izmo Limited (Listed Company)	Non-Executive Independent Director	3	3
5	Mr. Vijay Gupta	Izmo Limited (Listed Company)	Non-Executive Independent Director	3	NIL
		Aries Gases Private Limited	Director	NIL	NIL
6	Mr.Vasanth Kumar	Izmo Limited (Listed Company)	Non-Executive Independent Director	3	NIL
		VP Corporate Services Private Limited	Director	NIL	NIL
		CMMT Technologies Private Limited	Director	NIL	NIL
		Interoperable India Foundation	Director	NIL	NIL

CORPORATE GOVERNANCE REPORT

D. Number of Board Meetings:

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Seven (7) board meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 19, 2023; May 30, 2023; August 11, 2023; November 10, 2023, December 06, 2023; February 13, 2024 and March 06, 2024.

The necessary quorum was present for all the meetings. During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committees and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of Schedule V of the SEBI Listing Regulations.

E. Relation:

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors. None of the Directors is related to each other except Mrs. Shashi Soni is the mother of Mr. Sanjay Soni, Mrs. Kiran Soni is wife of Mr. Sanjay Soni and Mrs. Shashi Soni is mother-in-law of Mrs. Kiran Soni.

F. Details of Shares Held:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024, is available on the Company's website at <https://www.izmoltd.com/shareholding-pattern-en-in.htm>

G. Meeting of Independent Director:

During the year under review, one meeting of the Independent Directors was held on August 11, 2023. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Web link of Familiarization programme imparted to Independent Directors: <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

CORPORATE GOVERNANCE REPORT

H. The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

- i. Knowledge** - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,
- ii. Behavioural Skills** - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders,
- iii. Strategic thinking and decision making,
- iv. Financial Skills,
- v. Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business

I. The Board of Directors confirms that in the opinion of the board, the independent directors fulfil the conditions specified in SEBI (LODR) 2015 regulations and are independent of the management.

3. Committees of the Board:

There are three (3) Board Committees as on March 31, 2024, which comprises of all statutory committees, details of which are as follows:

A. Audit Committee

(i) Composition:

The Audit Committee is comprised of the following three independent Directors as per Regulation 18 of SEBI (LODR), 2015 and section 177 of the Companies Act, 2013. The composition of Audit committee is as below:

Sl. No	Name of Director	Designation
1	Mr. Ramanujam Krishnamurthy	Chairman
2	Mr. Vijay Gupta	Member
3	Mr. Vasanth Kumar	Member

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Chief Financial Officer and Company Secretary & Compliance Officer of the Company.

(ii) Audit Committee Meetings:

The Audit Committee has met 5 times during the year under review. The said meetings were held on May 30, 2023; August 11, 2023; November 10, 2023; December 06, 2024 and February 13, 2024.

Sl. No	Audit Committee Members	No. of meeting held	No. of meeting attended
1	Mr. Ramanujam Krishnamurthy	5	4
2	Mr. Vijay Gupta	5	5
3	Mr. Vasanth Kumar	5	5

The Chairman of the Audit Committee was present at the 28th Annual General Meeting held on September 26, 2023.

CORPORATE GOVERNANCE REPORT

(iii) Terms of Reference:

Your Company's Audit Committee has been discharging its obligations uniformly.

- To oversee the Company's financial reporting process and examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment/ re-appointment remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- To review and discuss with the Auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit function, major accounting policies, practices and entries;
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval; with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. modified opinion(s) in the draft audit report;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Evaluation of internal financial controls and risk management systems;
- Scrutiny of inter corporate loans and investments;
- To review the functioning of the Whistle Blower Mechanism;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
- Compliance with the Stock Exchange and legal requirements concerning financial statement and related party transactions, if any;
- Discuss with the Internal Auditors any significant findings for follow-up thereon;

CORPORATE GOVERNANCE REPORT

- To review the quarterly, half yearly and annual financial statement before submission to the Board of Directors;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Carrying out any such other functions as may be prescribed from time to time under the Companies Act and SEBI Listing Regulations.

The Committee shall also meet the Management team and review the operations, new initiatives and performance of the business units. The Minutes of the Audit Committee would be circulated to the Board, discussed and taken note of.

The Audit Committee reviewed the financial results, accounting and financial controls as well as policies and practices as also internal control and internal audit systems.

B. Nomination and Remuneration Committee

(i) Composition:

The composition of the Committee complies, inter-alia, with the requirements of Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

The composition of Nomination and Remuneration Committee is as below:

Sl. No	Name of Director	Designation
1	Mr. Ramanujam Krishnamurthy	Chairman
2	Mr. Vijay Gupta	Member
3	Mr. Vasanth Kumar	Member

(ii) Meetings:

The Nomination and Remuneration Committee has met 4 times during the year under review. The said meetings were held on May 19, 2023; August 11, 2023; November 10, 2023 and February 13, 2024.

The particulars of attendance at the Committee Meetings during the year are given in the table below:

Sl. No	Nomination & Remuneration Committee	No. of meeting held	No. of meeting attended
1	Mr. Ramanujam Krishnamurthy	4	3
2	Mr. Vijay Gupta	4	4
3	Mr. Vasanth Kumar	4	4

(iii) Terms of Reference:

To review, assess and recommend the appointment and remuneration of executive Directors and senior employees of the Company from time to time, periodically review the remuneration package of the Directors/ KMP and recommend suitable revision to the Board.

CORPORATE GOVERNANCE REPORT

(iv) Role of the Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Carry out evaluation of every director's performance;
- Identifying the employees eligible for Stock options;
- To recommend the board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- To recommend the board, all remuneration, in whatever form, payable to senior management;
- Carrying out any other such functions as are mentioned in the terms of reference of the Nomination and remuneration committee as per Regulation 19 of the Listing Regulations;

(v) Nomination and Remuneration Policy:

The Company's policy inter-alia, on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under the Act is available on the website of Company at

<https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>

(vi) Performance evaluations of independent directors:

The performance evaluations of independent directors have been done by the entire board of directors, provided that in this evaluation the directors who are subject to evaluation did not participate.

(vii) Remuneration of Directors:

- Non-Executive Directors are paid sitting fees for attending the meetings of the Board/Committee within the limit as prescribed under the Companies Act, 2013.
- The Non-Executive Directors are paid sitting fees of Rs. 40,000/- for each meeting of the Board & Audit Committees and Rs. 10,000 for other committee meetings.

Details of remuneration paid to Executive Directors, Managing Director and KMP are disclosed in Annual Return which is available at <https://www.izmoltd.com/annual-report-en-in.htm>.

Details of Shareholding pattern of Executive Directors and Non-Executive Directors are disclosed in Annual Return which is available at <https://www.izmoltd.com/annual-report-en-in.htm>.

- None of the directors whether executive or non- executive are granted with ESOP.

CORPORATE GOVERNANCE REPORT

C. Stakeholders' Relationship Committee

- (i) The Company's Stakeholders Relationship is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. Committee addresses the issues related to stake holders and is comprised of three independent directors.

Sl. No	Name of Director	Designation
1	Mr. Ramanujam Krishnamurthy	Chairman
2	Mr. Vijay Gupta	Member
3	Mr. Vasanth Kumar	Member

- (ii) Stakeholders' Relationship Committee has met 4 times during the year under review. The said meetings were held on May 30, 2023; August 11, 2023; November 10, 2023 and February 13, 2024.

- (iii) The particulars of attendance at the Committee Meetings during the year are given in the table below:

Sl. No	Stakeholders Remuneration Committee	No. of meeting held	No. of meeting attended
1	Mr. Ramanujam Krishnamurthy	4	3
2	Mr. Vijay Gupta	4	4
3	Mr. Vasanth Kumar	4	4

- (iv) Mr. Sonal Jaju, Company Secretary was designated as Compliance Officer

- (v) Number of Shareholder's Complaints received so far- Nil

- (vi) Number not solved to the satisfaction of shareholders- Nil

- (vii) Number of pending complaints- Nil

- (viii) There were no pending complaints as on March 31, 2024.

4. General Body Meeting:

A. Following are the details of the last three Annual General Meetings:

Year	Venue	Date	Time (IST)
2020-2021	Video Conferencing ("VC") Or Other Audio-Visual Means ("OAVM") pursuant to the MCA Circular	20-09-2021	12:30 PM
2021-2022	Video Conferencing ("VC") Or Other Audio-Visual Means ("OAVM") pursuant to the MCA Circular	26-09-2022	12:30 PM
2022-2023	Video Conferencing ("VC") Or Other Audio-Visual Means ("OAVM") pursuant to the MCA Circular	26-09-2023	12:30 PM

CORPORATE GOVERNANCE REPORT

B. Special resolutions passed in the previous 3 AGMs.

Financial Year	Resolutions Passed	Date of passing special resolution
2020-2021	N.A.	20-09-2021
2021-2022	Re-appointment of Mrs. Shashi Soni (DIN: 0609217) as Whole Time Director of the Company.	26-09-2022
2022-2023	To Re-appoint Mrs. Kiran Soni (DIN: 08836616) as a Whole Time Director of the Company.	26-09-2023

C. Postal Ballot:

There was no Postal Ballot conducted during the Financial Year 2023-24.

D. Extraordinary General Meeting:

During the financial year 2023-24 the Company has held extraordinary general meeting of the members on April 21, 2023

for considering the following one special businesses:

Financial Year	Resolutions Passed	Date of passing Special Resolution
2023-2024	To Approve the Issuance of Warrants Convertible into Equity Shares to the Proposed Allottees, on a Preferential Basis;	21.04.2023

5. AGENDA AND MINUTES:

All the departments in the Company, communicate with the Company Secretary well in advance with regard to matters requiring approval of the Board/Committees, to enable him to include the same in the Agenda for the Board/Committee Meeting(s). Agenda papers are circulated to the Directors / Committee Members well in advance before the respective meetings of the Board / Committees.

The Company Secretary while preparing the Agenda and Minutes of the Board/Committee Meeting(s) ensures adherence to the applicable provisions of the law including Companies Act, 2013 and the rules made thereunder. The applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') are also complied with by the Company. The draft Minutes of the proceedings of each Board/Committee meeting are circulated to the Board/ Committee members for their comments, within 15 days of respective Meetings and thereafter considering the comments received, if any, the minutes are entered in the Minute book within 30 days of the respective meetings. Copy of the signed minutes are also circulated to the Directors/Members of the Committees, as applicable, within 15 days of signing by the Chairperson. The Board also takes note of the Minutes of the Committee Meetings duly approved by their respective Chairperson.

6. Means of Communication:

- a) The quarterly, half-yearly and Annual Consolidated Financial Results are published in widely circulated newspapers such Financial Express/Vartha Bharati/Vishwani in terms of the Listing Regulations.

Pursuant to the requirements of the Act and the SEBI Listing Regulations the official press releases, and presentations made to institutional investors and analysts are disseminated to stock exchanges and as well displayed on the Company's website at <https://www.izmoltd.com/investor-presentation-en-in.htm>. Further, the Company hosts earnings call with the Investors/ Analysts after publishing its quarterly results and

CORPORATE GOVERNANCE REPORT

the details of the earnings call are uploaded on the stock exchanges. The recording and transcripts of the earnings call with the investors/analysts are also uploaded on the Company's website.

The investors can contact the Company on the email id company.secretary@izmoltd.com.

- b) Investor complaints are processed at the Securities and Exchange Board of India in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their status.
- c) The Company has, as per Green initiatives taken by Ministry of Corporate Affairs, invited the members to register their e-mail addresses with the Company so that all communications / documents including the Notice calling the Annual General Meeting and other General Meeting of the members along with explanatory statement(s) thereto, Balance Sheets, Board's Reports, Auditor's Reports etc., can be sent to them in electronic mode.

7. General Shareholders Information:

A. Annual General Meeting:

The Annual General Meeting of the Company will be held on **Thursday, the 26th day of September 2024 at 12:30 P.M** through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") pursuant to the MCA Circular dated May 5, 2020, read with Circular No 05.05.2020, Circular No 02/2021 dated 13.01.2021, Circular No 19/2021 dated 08.12.2021, Circular No 21/2021 dated 14.12.2021, Circular No 02/2022 dated 05.05.2022, and December,2022 , General Circular No. 09/2023 dated 25th September, 2023 other relevant circulars as such there is no requirement to have a venue for the AGM.

Dates of book closure: The Company's Register of Members and Share Transfer Books will remain closed from **Friday, September 20, 2024, to Thursday, September 26, 2024 (both days inclusive)**.

B. Financial Year:

April 01, 2023, to March 31, 2024

C. Dividend:

In order to augment the ongoing expansion programmes, the Directors have decided to plough back the profit into the system and regret inability to recommend dividend for the financial year 2023-2024.

D. Listing on Stock Exchanges:

The Company's Equity Shares are listed on the following stock exchanges:

Bombay Stock Exchange Limited	National Stock Exchange of India Limited,
Floor 25, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001 (BSE)	Exchange Plaza, 5th Floor Plot No. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400051 (NSE)

E. Scrip Code at:

The National Stock Exchange of India Ltd – **IZMO**

BSE Limited – **532341**

The Calcutta Stock Exchange Association Limited (CSE) (Under Process of Revocation and Delisting): **022122**
ISIN **INE848A0101**

Corporate Identity Number (CIN) of the Company: **L72200KA1995PLC018734**

CORPORATE GOVERNANCE REPORT

F. Market Price Data:

High/Low, Number of shares traded during each month in the F.Y-2023-24:

Month	BSE				NSE			
	High INR	Low INR	Close INR	Total Traded Quantity	High INR	Low INR	Close INR	Total Traded Quantity
Apr-23	155.95	121.4	124.8	987259	156.05	121.55	124.65	7101488
May-23	172.2	112	172.2	976065	171.90	112.00	171.90	6894640
Jun-23	255	175.65	190.85	913898	257.00	175.65	190.10	5755782
Jul-23	229.8	180.2	190.25	216842	227.00	181.00	190.95	1202518
Aug-23	205.5	153.3	197.15	165280	205.50	150.25	199.60	569940
Sep-23	213.7	174.35	186.05	119751	207.80	174.00	186.20	1113013
Oct-23	205	180.2	200.6	160067	203.00	181.20	200.60	498735
Nov-23	272.1	192	264	242281	273.25	194.00	263.90	1192243
Dec-23	269.25	225.4	252.7	205991	270.00	221.20	250.90	700214
Jan-24	312.95	240.1	305.45	270957	315.00	243.30	304.00	1122589
Feb-24	330	265.35	291.5	143550	328.25	264.95	291.70	554356
Mar-24	303	240.8	269.25	90644	304.80	238.60	270.45	859221

Source-Websites: BSE Ltd. (www.bseindia.com) & The National Stock Exchange of India Ltd. (www.nseindia.com)

G. A performance chart showing Share Price of the Company in comparison with BSE SENSEX as well as NIFTY during the year 2023-24 is as below:



CORPORATE GOVERNANCE REPORT



H. Registrar and Share Transfer Agent and Address for correspondence:

Cameo Corporate Services Limited is acting as the Registrar and Share Transfer Agents for the shares of the Company held in both physical and electronic modes. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Share Registrar and Transfer Agents at the address given below:-

Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agents. Members may also write to the Compliance Officer at the Registered Office of the Company as stated below:

<p>Cameo Corporate Services Limited "Subramanian Building", 5th Floor, 1, Club House Road, Chennai – 600 002 Tel: 044-28460390/95 Fax: 044-28460129 Email: investor@cameoindia.com</p>	<p>Ms. Sonal Jaju Company Secretary & Compliance Officer P.O. Box 7620, 177/2C, Bilekahalli Industrial Area Bannerghatta Road, Bangalore – 560 076 Tel: +91-80-6712 5400 to 5409 Fax: +91-80-6712 5425 Email: company.secretary@izmoltd.com</p>
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I. Share Transfer System:

The Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') during FY 2018-19, has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities as per 1 April 2019, can do so only in dematerialised form, except in case of requests received for transmission or transposition and relogged transfer of securities. Therefore, necessary intimation was sent by the Company to the members regarding the restriction on transfer of securities in the physical form and members holding shares in physical form were requested to consider converting their shareholding to dematerialized form within the due date. Further SEBI vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2 December 2020 had fixed 31 March 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

CORPORATE GOVERNANCE REPORT

J. Distribution Schedule: As of March 31, 2024 the distribution of the Company's shareholding was as follows:

SL. NO	HOLDING	NUMBER	% OF TOTAL	SHARES	% OF TOTAL
1	between 1 and 5000	12403	84.9462	1329588	9.4205
2	between 5001 and 10000	981	6.7187	792236	5.6132
3	between 10001 and 20000	553	3.75874	840346	5.9541
4	between 20001 and 30000	213	1.4588	551307	3.9061
5	between 30001 and 40000	106	0.7259	382311	2.7088
6	between 40001 and 50000	79	0.541	374540	2.6537
7	between 50001 and 100000	127	0.8698	942664	6.679
9	100001 and Above	139	0.9519	8900651	63.0641
Total		14601	100	14113643	100

K. Categories of equity shareholding as on March 31, 2024:

Category	Number of Equity Shares	Percentage of Holding
Promoter & Promoter Group	4502194	39.90
Other Entities of the Promoter Group	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, States and Central Government	-	-
Alternate Investment Funds	-	-
Foreign Portfolio Investor (Corporate)	344288	2.44
Individual Shareholder holding Nominal Share Capital Up to Rs. 2 lakhs.	5258663	37.26
Individual Shareholder holding nominal Share Capital in excess of Rs. 2 lakhs.	2163745	15.33
Bodies Corporate	479849	3.40
Directors and their Relatives	232924	1.65
ESOP/ESOS/ESPS	24669	0.17
Hindu Undivided Family	563099	3.99
IEPF	64360	0.46
NRI-Non- Repeat	64036	0.6125
NRI-Repeat	415816	3.1831
GRAND TOTAL	14113643	100

L. Dematerialization of shares and liquidity:

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 93.83 percent of the Company's equity share capital are dematerialized as on March 31, 2024. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE848A01014. The status of dematerialization of shares as on March 31, 2024 is as under:

CORPORATE GOVERNANCE REPORT

Description	No. of Shareholders	No. of Shares	% of Total Shares
CDSL	8841	8143345	57.70
NSDL	5332	5099058	36.13
Physical	428	871240	6.17
TOTAL	14601	14113643	100.00

M. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments conversion date and likely impact on equity:

As of March 31, 2024, the Company has 7,03,050 outstanding Warrants or which are likely to have an impact on the equity capital of the Company.

N. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

OTHER DISCLOSURES:

- The disclosure with respect to materially significant related party transactions are given in Note No. 34 of notes to Standalone financials statement.
- There was neither non-compliance by the Company nor penalties/strictures imposed on the Company by Stock Exchange(s) / the SEBI / any Statutory Authority, on any matter relating to Capital Markets, during the last three years.

During the Financial Year 2020-2021, the Company was required to have at least six directors on its Board with effect from 01.04.2020 pursuant to Regulation 17 (1) (c) of the SEBI (LODR) Regulations, 2015. But, had only five directors on Board till 19.08.2020 as the Company was unable to appoint the sixth Director due to the impact of the Pandemic of COVID-19. The Board of Directors on 19.08.2020 appointed Mrs. Kiran Soni as an Additional Director of the Company, thereby complying with the aforesaid requirement.

- Details of establishment of vigil mechanism, whistle blower policy, has already given in the Directors report and we affirm that no personnel has been denied access to the audit committee.
- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company is compliant with all the mandatory requirements of the Listing Regulations for FY 2023-24. The Board feels there is no requirement for non-mandatory requirements under Part E of Schedule II of the Listing Regulations.
- Web link where policy for determining 'material' subsidiaries and dealing with related party transactions is <http://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>
- Web link where policy on dealing with related party transactions <http://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>
- The Company does not have any exposure to commodity price risk. Further, the Company manages the foreign exchange risk as per the Board approved policy. The foreign exchange and hedging details form part of the Notes to Accounts.

CORPORATE GOVERNANCE REPORT

8. Mr. Syed Shahabuddin (The Company Secretary in practice) has issued certificate that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority annexed with this report as **Annexure- H**.
9. There have been no instances where the Board has not accepted any recommendation of any of the Committees of the Board during the F.Y 2023-24.
10. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

(Rs.)

Payment to Statutory Auditors	FY 2023-2024
Statutory Audit	4,30,000/-
Other Services including reimbursement of expenses	2,92,500/-
Total	7,22,500/-

11. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's Report.
12. The Company is compliant with all the mandatory requirements of the Listing Regulations for FY 2023-24. The non-mandatory requirements under Part E of Schedule II of the Listing Regulations, which is not required for the time being to be complied.
13. We complied with the disclosure of corporate governance requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regards to Corporate Governance.
14. The Company has obtained a certificate from a Practicing Company Secretary on compliance of conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 and is annexed with this report as **Annexure- K**
15. Declaration by the Managing Director under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct is annexed with this report as **Annexure-I**
16. Code for Prevention of Insider Trading in compliance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company had formulated and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (SRL Code).

The Code has been placed on the Company's website at <https://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>. The Company Secretary and Compliance Officer is responsible for implementation of the Code.

CORPORATE GOVERNANCE REPORT**Annexure-H****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To:
The Members of
IZMO LIMITED
#177/2C Billekahalli Industrial Area
Bannerghatta Road Bangalore – 560076.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IZMO Limited having (CIN: L72200KA1995PLC018734) and having registered office at #177/2C Billekahalli Industrial Area Bannerghatta Road Bangalore - 560076 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sanjay Soni	00609097	01/04/2007
2	Shashi Soni	00609217	01/10/2010
3	Vijay Gupta	00929401	23/07/2004
4	Ramanujam Krishnamurthy	06940830	30/09/2014
5	Vasanth Kumar	03570216	14/02/2022
6	Kiran Soni	08836616	19/08/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date: June 13, 2024

Signature:
Syed Shahabuddin
Company Secretary
Membership No: 4121
Certificate of Practice No: 11932
UDIN: A004121F000566397

CORPORATE GOVERNANCE REPORT

ANNEXURE-I

Declaration by the Managing Director under the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct

I do hereby confirm that pursuant to Regulation 26(3) of the Listing Regulations, the Company has obtained from all members of the Board and Senior Management Personnel, affirmation that they have complied with Company's Code of Conduct for the Financial Year March 31, 2024.

Place: Bengaluru
Date: August 12, 2024

Sd/-
Sanjay Soni
Managing Director
DIN: 00609097
Address: Flat No. 9, Prestige Casablanca
Apartments, 12/1,
Airport Road, Bangalore-560017

CORPORATE GOVERNANCE REPORT

ANNEXURE-J

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION AS PER REGULATION 17(8)

To,
The Board of Directors,
IZMO LIMITED

I Sanjay Soni, Managing Director (MD) and Kiran Soni, Whole- Time Director and Chief Financial Officer (CFO) of the company, to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2024 and to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the Indian Accounting Standards, applicable laws and regulations.
- B. We further state, to the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee that :
- (i) there is no significant changes in internal control over financial reporting during the year;
 - (ii) there is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
 - (iii) there is no significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

Place: Bengaluru
Date: August 12, 2024

Sd/-
Sanjay Soni
Managing Director
DIN:00609097

Sd/-
Kiran Soni
Whole-time Director &
Chief Financial Officer
DIN: 08836616

ANNEXURE-K

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
**The Members of
IZMO Limited
Bangalore**

I have examined the compliance of conditions of Corporate Governance by IZMO Limited, CIN- L72200KA1995PLC018734 for the year ended 31st March 2024, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 24, 27 Schedule II, Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, I also state that during the Financial Year 2023-24, there were no pending or unresolved complaints of the investors of the Company.

I further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bangalore
Date: June 13, 2024

Syed Shahabuddin
Company Secretary
Membership No: A4121
Certificate of Practice No: 11932
UDIN: A004121F000566463

Independent Auditor's Report

To the Members of Izmo Limited

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of **Izmo Limited** ('the Company'), which comprise the balance sheet as at March 31, 2024, 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I have conducted my audit of the standalone financial statements in accordance with the standards on Auditing ("SA"s) specified under section 143(10) of the Act. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of my report. I am Independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters ('KAM') are those matters that, in my professional judgment, were of most significance in my audit of the standalone financial statements of the current period. These matters were addressed in the context of my audit of the standalone financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicated in my report.

Description of Key Audit Matter

Evaluation of uncertain tax positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes Refer Notes 2(i), 41 & 43 to the Standalone Financial Statements.

Auditor's Response

- Obtained details of completed tax assessments and demands for the year ended March 31, 2024, from management.
- Read and analyzed selected key correspondences, external legal opinions / consultations by management for key uncertain tax positions
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
- Assessed management's estimate of the possible outcome of the disputed cases.

Emphasis of Matter

As more fully described in Note. 41 & 43 to the Standalone Financial Statements and in Point 1 of Key Audit Matters, The Company is responding to inquiries from Indian regulatory authorities. The scope, duration or outcome of these matters are uncertain.

My opinion is not modified in respect of this matter.

Independent Auditor's Report

To the Members of Izmo Limited

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Standalone 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 these standalone financial statements that give a true and fair view of the financial position, financial performance, including other 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 of 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 standalone financial statements that give a true and fair view and are

free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 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 Responsibility for the Audit of the Standalone Financial Statements.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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, I am also responsible for

Independent Auditor's Report

To the Members of Izmo Limited

expressing my opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, I give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books except for the matters stated in paragraph (vi) of (i) below on reporting under Rule 11(g).
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the Books of account.
 - d) In my opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

Independent Auditor's Report

To the Members of Izmo Limited

- e) On the basis of the written representations received from the directors of the company as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 above on reporting under Section 143(3)(b) and paragraph (vi) below on reporting under Rule 11(g).
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in "Annexure B". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In my opinion and to the best of my information and according to the explanation given to me, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of my information and according to the explanations given to me.
- As required by Section 143(3) of the Act, I report that:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2024 on its financial position in its financial statements – Refer Note 41 and 43 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts 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.
- iv.
- (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(a) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 48(b) to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

Independent Auditor's Report

To the Members of Izmo Limited

- v. The Company has not declared or paid any dividend during the year.
- vi. Based on my examination which included test checks, the Company has used 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 for all relevant transactions recorded in the accounting software except that, audit trail feature is not enabled for certain changes made, if any, using certain access rights, as described in note 49 to the financial statements. Further, during the course of my audit I did not come across any instance of audit trail feature being tampered with in respect of the accounting software and payroll software.

Ramaswamy Vijayanand

Chartered Accountant

M. No: 202118

Place: Bangalore

Date: May 30, 2024

UDIN: 24202118BKAVKA1445

Independent Auditor's Report

To the Members of Izmo Limited

Annexure A to the Independent Auditor's Report:

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of my report to the members of **Izmo Limited** of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of verification to cover all the items of its Property, Plant and Equipment in a phased manner which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to me, no material discrepancies were noticed on such verification.

c) Based on my examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to me, I report that, the title in respect of self-constructed building and title deed of immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its Property, Plant and Equipment and intangible asset during the year.

e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property

Transactions Act, 1988 and rules made thereunder as disclosed in the note 47 to the financial statements.

ii.

a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) is not applicable.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii.

According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to one of its subsidiary company during the year, details of the loan is stated in sub-clause (a) below.

(a)

A. Based on the audit procedures carried on by me and as per the information and explanations given to me, the Company has granted loan to subsidiary.

Particulars	Amount (₹ in Lacs)
Aggregate amount during the year	228
Balance outstanding as at balance sheet date	180

B. Based on the audit procedures carried on by me and as per the information and explanations given to me, the Company has not granted loans to a party other than subsidiaries.

Particulars	Amount (₹ in Lacs)
Aggregate amount during the year – Others	(245.75) *
Balance outstanding as at balance sheet date -Others	Nil

*Repaid during the year.

Independent Auditor's Report

To the Members of Izmo Limited

- (b) According to the information and explanations given to me and based on the audit procedures conducted by me, I am of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to me and on the basis of my examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has not been stipulated and there were no repayments or receipts during the year. However, the loan outstanding from a party other than subsidiaries is fully repaid during the year.
- (d) According to the information and explanations given to me and on the basis of my examination of the records of the Company, since the repayment schedule is not maintained I am unable to comment on this sub clause.
- (e) According to the information and explanations given to me and on the basis of my examination of the records of the Company, since there were no repayment schedule prescribed, I am unable to comment on this sub clause.
- (f) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not given loans repayable on demand or without specifying any terms or period of repayment to an entity in which key managerial persons of the company are interested during the year. Hence reporting under clause 3(iii)(f) is not applicable.
- iv. According to the information and explanations given to me and on the basis of my examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to me, in respect of statutory dues:
- a) The company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to me, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to me, the following dues of income tax and Karnataka Value Added Tax have not been deposited by the Company on account of disputes:

Independent Auditor's Report

To the Members of Izmo Limited

Name of the statute	Nature of dues	Amount (in INR)	Amount Paid Under Protest (in INR)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Transfer pricing	NIL	NIL	F.Y 2004-05 (A.Y 2005-06)	Assessing officer to give effect to the ITAT order
Income Tax Act, 1961	Transfer Pricing	1,27,40,080	NIL	F.Y 2008-09 (A.Y 2009-10)	Rectification filed with the Assessing officer; Appeal filed with the High Court
Income Tax Act, 1961	Transfer Pricing	3,67,50,932	70,00,000	F.Y 2009-10 (A.Y 2010-11)	Karnataka High Court
Income Tax Act, 1961	Transfer Pricing	3,09,10,300	NIL	F.Y 2010-11 (A.Y 2011-12)	Karnataka High Court
Income Tax Act, 1961	Income Tax and Transfer Pricing	2,28,85,010	NIL	F.Y 2011-12 (A.Y 2012-13)	CIT Appeals
Income Tax Act, 1961	Income Tax	84,23,520	NIL	F.Y 2012-13 (A.Y 2013-14)	Assessing Officer to give effect to CIT (Appeals) order
Income Tax Act, 1961	Income Tax and Transfer Pricing	5,10,33,800	1,02,06,761	F.Y 2013-14 (A.Y 2014-15)	CIT Appeals
Income Tax Act, 1961	Income Tax	1,47,04,667	NIL	F.Y 2016-17 (A.Y 2017-18)	CIT Appeals

- viii. According to the information and explanations given to me and on the basis of my examination of the records of the company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year as disclosed in note 50 to the financial statements. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix.
- a) According to the Information and explanations given to me and on the basis of examination of books of accounts, The Company has been repaying the loans as per the agreed terms during the F.Y 2023-24.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) According to the information and explanations given to me by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
 - d) According to the information and explanations given to me and the procedures performed by me, and on an overall examination of the financial statements of the company, I report that no funds raised on short term basis have been used for long term on an overall examination of the balance sheet of the Company, I report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
 - e) According to the information and explanations given to me and on an overall examination of the financial statements of the Company, I report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

Independent Auditor's Report

To the Members of Izmo Limited

- f) According to the information and explanations given to me and procedures performed by me, I report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x.
- a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has made preferential allotment of shares to promoter group during the year and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and also funds raised have been used for the purposes for which the funds were raised.
- xi.
- a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to me by the management, there are no whistle blower complaints received by the company during the year.
- xii The Company is not a Nidhi Company and hence, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. In my opinion and according to the information and explanations given to me, the company is in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.
- a) Based on information and explanations provided to me and my audit procedures, in my opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) I have considered the internal audit reports of the company issued till date for the period under audit.
- xv. In my opinion and according to the information and explanations given to me, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) In my opinion Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In my opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

Independent Auditor's Report

To the Members of Izmo Limited

- xix. 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 and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe 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. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I 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. In my opinion and according to the information and explanations given to me, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Ramaswamy Vijayanand

Chartered Accountant

M. No: 202118

Place: Bangalore

Date: May 30, 2024

UDIN: 24202118BKAVKA1445

Annexure - B to the Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of my report to the members of **Izmo Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of **IZMO Limited** ("the Company") as of March 31, 2024 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 Companies Act, 2013.

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

I believe that the audit evidence I have obtained, is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure - B to the Auditors' Report

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting 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.

Ramaswamy Vijayanand

Chartered Accountant

M. No: 202118

Place: Bangalore

Date: May 30, 2024

UDIN: 24202118BKAVKA1445

BALANCE SHEET

As at March 31, 2024

(Rs. in Lakhs)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
I.	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	3	292.08	283.81
	(b) Investment Property	4	151.28	162.10
	(c) Other Intangible assets	5	80.41	116.61
	(d) Financial assets			
	(i) Investments	6	16,010.38	16,009.38
	(e) Deferred tax assets	7	46.71	39.35
	(f) Other non-current assets	8	494.06	458.55
	Total Non-current assets		17,074.93	17,069.79
	Current assets			
	(a) Inventories	9	-	4.95
	(b) Financial assets			
	(i) Trade receivables	10	1,484.97	252.52
	(ii) Cash and cash equivalents	11	559.66	307.63
	(iii) Other financial assets	12	819.40	810.52
	Total Current assets		2,864.03	1,375.62
	TOTAL ASSETS		19,938.96	18,445.41
I.	EQUITY AND LIABILITIES			
	Shareholders' funds			
	(a) Share capital	13	1,411.36	1,339.16
	(b) Other equity	14	16,495.75	15,799.73
	TOTAL EQUITY		17,907.11	17,138.89
II.	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	80.84	116.09
	(b) Provisions	16	320.06	277.50
	Total Non current liabilities		400.90	393.59
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	(i) micro and small enterprises, and		1.87	2.14
	(ii) other than micro and small enterprises	17	121.33	82.52
	(ii) Other Financial Liabilities	18	332.62	368.77
	(b) Provisions	19	60.68	54.64
	(c) Other current liabilities	20	1,033.69	369.45
	(d) Current Tax Liabilities (Net)	21	80.76	35.41
	Total Current liabilities		1,630.95	912.94
	TOTAL EQUITY AND LIABILITIES		19,938.96	18,445.41

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097
Place: Bangalore
Date: 30th May, 2024

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Sonal Jaju
Company Secretary

Ramaswamy Vijayanand
Chartered Accountant
Membership No. 202118

Statement of Profit and Loss

For the year ended March 31,2024

(Rs. in Lakhs)

	Particulars	Note No.	FYE 31.03.2024		FYE 31.03.2023	
I	Revenue from operations	22		4,261.94		3,458.42
II	Other income	23		113.50		92.59
III	Total Income (I + II)			4,375.44		3,551.01
IV	Expenses:					
	Purchases of stock in trade	24	405.88		63.39	
	Changes in inventories of finished goods, work in progress and Stock-in-Trade	25	4.95		-	
	Employee benefits expense	26		410.84		63.39
	Finance costs	27		3,037.02		2,711.66
	Depreciation and amortization expense	28		27.74		9.13
	Other expenses	29		143.49		137.72
				661.38		558.26
	Total expenses			4,280.47		3,480.16
V	Profit before exceptional and extraordinary items and tax (III-IV)			94.97		70.85
VI	Exceptional Items & Extraordinary items			-		-
VII	Profit before tax (V-VI)			94.97		70.85
VIII	Tax expense:					
	Current tax		80.76		35.47	
	Taxes of earlier years		2.50		-	
	Deferred tax		(7.36)	75.90	18.17	53.63
IX	Profit for the year from continuing opertaions (VII -VIII)			19.07		17.21
X	Profit/(loss) from discontinuing operations			-		-
XI	Tax expense of discontinuing operations			-		-
XII	Profit/(loss) from discontinuing operations (after tax) (X-XI)			-		-
XIII	Profit/(Loss) for the year (IX-XII)			19.07		17.21
XIV	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of the defined benefit plans		10.18		4.25	
	b) Taxes on above		-		-	
	(ii) Items that may be reclassified to profit or loss					
	a) Mark to Market of Investments		-		-	
	b) Taxes on above		-	10.18	-	4.25
XV	Total Comprehensive Income (XIII + XIV)			29.25		21.47
XVI	Earning per equity share before and after exceptional item:					
	Basic (in ₹)	31		0.14		0.13
	Earning per equity share before and after exceptional item:					
	Diluted(in ₹)	31		0.14		0.13
	Paid up value per share			10.00		10.00

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097
Place: Bangalore
Date: 30th May, 2024

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Sonal Jaju
Company Secretary

Ramaswamy Vijayanand
Chartered Accountant
Membership No. 202118

Cash Flow Statement

For the year ended March 31, 2024

(Rs. in Lakhs)

	Particulars	March 31, 2024	March 31, 2023
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	105.15	75.10
	Adjustments for:		
	Depreciation	143.49	137.72
	Interest Expense	27.74	9.13
	Interest Income	(19.53)	(19.55)
	Rental Income	(49.58)	(49.58)
	Profit on Sale of Assets	-	(1.15)
	Employee stock option expenses	144.50	50.81
	Operating Profit Before Working Capital Changes	351.78	202.49
	Movements in Working Capital :		
	(Increase)/Decrease in Trade Receivables	(1,232.45)	45.30
	(Increase)/Decrease in Inventories	4.95	-
	(Increase)/Decrease in short term Loans and Advances	(44.38)	(193.11)
	Increase/(Decrease) in Current Liabilities and Provisions	760.57	85.24
	Cash Generated from Operations	(159.53)	139.92
	Direct Taxes paid (Net of Refunds)	(83.26)	(35.47)
	MAT Credit	-	-
	Net cash from Operating Activities	(242.79)	104.45
B.	Cash Flows from Investing Activities		
	Purchase of Fixed Assets	(104.76)	(88.51)
	Proceeds from Sale of Fixed Assets	-	1.15
	Investment in Subsidiary	(1.00)	-
	Rental Income	49.58	49.58
	Interest Received	19.53	19.55
	Net cash used in Investing Activities	(36.65)	(18.23)
C.	Cash Flows from Financing Activities		
	Proceeds from Term Borrowings/Repayment of Loans	(35.25)	75.06
	Proceeds from issue of equity share capital (net of expenses)	594.47	3.27
	Interest paid	(27.74)	(9.13)
	Net Cash used in Financing Activities	531.48	69.20
	Net increase in Cash and Cash Equivalents (A + B + C)	252.04	155.43
	Cash and Cash Equivalents at the Beginning of the Year	307.63	152.21
	Cash and Cash Equivalents at the End of the Year	559.67	307.63
	Components of Cash and Cash Equivalents	March 31, 2024	March 31, 2023
	Balances with Scheduled Banks		
	- In Current Account	547.63	225.77
	- In EEFC Account	-	69.82
	Cash on Hand	0.32	0.32
	Deposit with Bank	11.72	11.72
	TOTAL	559.67	307.63

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097
Place: Bangalore
Date: 30th May, 2024

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Sonal Jaju
Company Secretary

Ramaswamy Vijayanand
Chartered Accountant
Membership No. 202118

Notes to Financial Statements

For the year ended March 31, 2024

1 BACKGROUND:

IZMO LIMITED ("the Company") was incorporated on 08th September, 1995. The Company is engaged in interactive marketing solutions. The company offers hi-tech automotive e-retailing solutions.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with Accounting Standards ("AS") specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect certain reported balances of assets and liabilities, disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Accordingly, future results could differ due to changes in these estimates and the difference between the actual result and the estimate are recognized in the period in which the results are known / materialize.

c) PROPERTY, PLANT AND EQUIPMENT:

(i) Tangible assets:

Property Plant and Equipment (PPE) and other tangible assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses relating to the acquisition, installation, erection and commissioning less depreciation. Internally manufactured assets are valued at works cost. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the Statement of Profit & Loss while incurred. Spare parts whose life has more than 12 month has been considered as PPE and capitalized by the company.

(ii) Intangible assets:

Intangible assets are accounted at cost of acquisition less depreciation /amortization.

(iii) Depreciation & Amortization:

- a. Depreciation on PPE bought/sold during the year is charged on straight line method as per the useful life in Schedule II of Act, depending upon the month of the financial year in which the assets are installed/sold. For the assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated on over the remaining useful life as defined in Schedule II of the Act.
- b. Intangible assets are amortized over a period of 2-5 years

(iv) Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic

Notes to Financial Statements

For the year ended March 31, 2024

benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the useful lives and is recognised in the statement of profit and loss. Depreciable investment properties have been ascribed a useful life in the range of 30 years.

d) INVESTMENTS:

- (i) Investments unless otherwise stated are considered as long term in nature and are valued at acquisition cost less provision for diminution, if any other than those which are considered as temporary in nature.
- (ii) Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

e) INVENTORIES:

- (i) Inventories does not include spare parts, servicing equipment and stand by equipment which meet definition of PPE as per AS-10 (revised) .
- (ii) Raw materials, stores, spare parts and components are valued at cost on weighted average basis or net realizable value whichever is lower.
- (iii) Work in progress is valued at works cost or net realizable value whichever is lower.
- (iv) Finished goods are valued at works cost or net realizable value whichever is lower.
- (v) Material cost of work in progress and finished goods are computed on weighted average basis.

f) REVENUE RECOGNITION:

Revenue is recognized to an extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Revenue from Contract with Customer:
Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods

and services to the customer. Performance obligations maybe satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements / arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A liability is recognised for expected sale returns and corresponding assets are recognised for the products expected to be returned. The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer.

- (ii) Interest income is recognized on time proportion basis.
- (iii) Dividend income is recognized, when the right to receive the dividend is established.
- (iv) Rental income is recognized on time proportion basis.

g) EMPLOYEE BENEFITS:

(i) Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the service are classified as short term. Benefits such as salaries, bonus, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

Notes to Financial Statements

For the year ended March 31, 2024

(ii) Post employment benefits:

a. Defined contribution plans:

The Company has contributed to provident and pension which are defined contribution plans. The contributions paid/ payable under the scheme are recognized during the year in which employee renders the related service.

b. Defined benefit plans:

Employees' gratuity is defined benefit plan. The present value of the obligation under such plan is determined based on actuarial valuation using the Projected Unit Credit Method which considers each year of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses are recognized in the statement of other comprehensive income in the year they arise. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms that matches to the defined benefit obligation.

c. Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the statement of profit and loss in the year in which they arise.

(iii) Share Based Payments:

Share-based compensation benefits are provided to employees via the **IZMO Limited** Employee Stock Option Plan.

The fair value of options granted under the Employees' Stock Option Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

h) FOREIGN CURRENCY TRANSACTIONS:

- (i) Foreign currency transactions are translated into rupees at the exchange rate prevailing on the date of the transaction / rates that approximate the actual rates as at that date.
- (ii) Monetary foreign currency assets and liabilities outstanding as at the year-end are restated at the exchange rates prevailing as at the close of the financial year. All exchange differences are accounted for in the statement of profit and loss.

Notes to Financial Statements

For the year ended March 31, 2024

(iii) Non monetary items denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

i) TAXES ON INCOME:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in other comprehensive income and equity respectively.

j) BORROWING COSTS:

Interest and other borrowing costs on specific borrowings relating to qualifying assets are capitalized up to the date such assets are ready for use / intended to use. Other interest and borrowing costs are charged to the statement of profit and loss.

k) PROVISIONS AND CONTINGENT LIABILITIES:

i) A provision is recognized when the Company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits, decommissioning and site restoration cost) are not discounted to its present value and are determined based on best estimate required

to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ii) Financial effect of contingent liabilities is disclosed based on information available up to the date on which financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of the contingent liability.

l) EARNINGS PER SHARE

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

m) FINANCIAL INSTRUMENTS:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(i) Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash and deposit with banks. The company considers all highly liquid investments including demand deposits with bank with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Notes to Financial Statements

For the year ended March 31, 2024

(ii) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

(iii) Financial assets at fair value through other comprehensive income (FVTOCI):

All equity investments and unquoted debentures are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

Financial assets at fair value through profit or loss (FVTPL):

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

(iv) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

n) IMPAIRMENT:

(i) Financial Assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other

financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non Financial Assets:

A non financial asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss, in the year in which an asset is identified as impaired.

o) LEASES:

(i) Operating leases

Where the Company is Lessee:

- 1) The Company's lease asset classes primarily consist of lease rentals for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract 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.
 - (iii) the Company has the right to direct the use of the asset.
- 2) At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- 3) Certain lease arrangements includes the

Notes to Financial Statements

For the year ended March 31, 2024

options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

- 4) Right-of-use assets are depreciated from the commencement date on a straightline basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.
- 5) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other financial liabilities. Each lease payment is apportioned between the finance charge and the reduction of the outstanding

liability. The outstanding liabilities included in Non-current liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

- (ii) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to its operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

p) SEGMENT REPORTING

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Notes to Financial Statements

For the year ended March 31, 2024

3. Property plant and equipment: Tangible assets

(Rs. in Lakhs)

Particulars	Land	Computers	Plant & Machinery	Office Equipments	Electrical Installations	Furniture and Fittings	Leasehold Improvements	Motor Vehicles	Total
Gross Block:									
Balance as at 31 March 2022	46.74	686.99	69.59	87.43	114.95	78.67	83.97	182.43	1,350.77
Additions	-	38.54	1.05	6.12	6.96	18.76	-	-	71.43
Disposals	-	-	-	-	2.23	-	-	-	2.23
Balance as at 31 March 2023	46.74	725.53	70.64	93.55	119.68	97.43	83.97	182.43	1,419.98
Additions	-	15.47	10.26	8.39	1.71	9.86	0.96	42.12	88.77
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	46.74	741.00	80.89	101.94	121.39	107.29	84.93	224.55	1,508.74
Accumulated depreciation:									
Balance as at 31 March 2022	-	598.16	68.49	76.95	87.33	58.29	82.93	84.03	1,056.17
Depreciation for the FYE 31.03.2023	-	49.12	0.23	3.78	4.88	4.02	0.38	19.81	82.23
Disposals	-	-	-	-	2.23	-	-	-	2.23
Balance as at 31 March 2023	-	645.29	68.71	80.73	89.98	62.31	83.31	103.84	1,136.17
Depreciation for the FYE 31.03.2024	-	43.54	0.54	5.15	5.54	5.61	0.46	19.64	80.49
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	688.83	69.26	85.88	95.52	67.92	83.77	123.48	1,216.67
Net block:									
Balance as at 31 March 2023	46.74	80.24	1.92	12.82	29.70	35.12	0.66	78.59	283.81
Balance as at 31 March 2024	46.74	52.17	11.64	16.06	25.87	39.37	1.16	101.07	292.08

Additional information:

- Management has determined that there are no significant parts of assets whose useful life is different from that of the principal asset to which it relates to in terms of Note 4 Schedule II to the Companies Act, 2013. Accordingly, useful life of assets have been determined for the overall asset and not for its individual components.
- The company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

Notes to Financial Statements

For the year ended March 31, 2024

4. Investment Property

(Rs. in Lakhs)

Particulars	Building at Whitefield
Gross block:	
Balance as at 31 March 2022	491.79
Additions	-
Balance as at 31 March 2023	491.79
Additions	-
Balance as at 31 March 2024	491.79
Accumulated depreciation:	
Balance as at 31 March 2022	318.88
Amortisation charge for the year	10.81
Balance as at 31 March 2023	329.69
Amortisation charge for the year	10.81
Balance as at 31 March 2024	340.50
Net block:	
Balance as at 31 March 2023	162.10
Balance as at 31 March 2024	151.28

i) Fair market value of Building at Rs. 26,99,00,000/- have been arrived at on the basis of valuations carried out by the Company internally on the basis of market value of building as on 25th November, 2023 and the Company is of the opinion that the fair value as on 31st March, 2024 will also be the same.

ii) The Company has not revalued its Property, Plant and Equipment(including Right-of Use Assets) ,intangible assets and investment property as at the balance sheet date.

The amount recognised in the Statement of Profit and Loss for investment property:

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income	49.58	49.58
Direct Operating Expenses	1.63	1.63
Profit from investment property before depreciation	47.95	47.95
Depreciation for the year	10.81	10.81
Profit from investment property	37.14	37.14

5. Other Intangible Assets

(Rs. in Lakhs)

Particulars	Computer software	Intellectual property	Total
Gross block:			
Balance as at 31 March 2022	1,299.37	2,000.76	3,300.13
Additions	17.08	-	17.08
Balance as at 31 March 2023	1,316.45	2,000.76	3,317.21
Additions	15.99	-	15.99
Balance as at 31 March 2024	1,332.44	2,000.76	3,333.20
Accumulated amortisation:			
Balance as at 31 March 2022	1,155.16	2,000.76	3,155.92
Amortisation for the FYE 31.03.2023	44.68	-	44.68
Balance as at 31 March 2023	1,199.84	2,000.76	3,200.60
Amortisation for the FYE 31.03.2024	52.19	-	52.19
Balance as at 31 March 2024	1,252.03	2,000.76	3,252.79
Net block:			
Balance as at 31 March 2023	116.61	-	116.61
Balance as at 31 March 2024	80.41	-	80.41

Notes to Financial Statements

For the year ended March 31, 2024

6 Non current investments:

(Rs. in Lakhs)

Details of investments/Name of the Company	As at March 31, 2024			As at March 31, 2023		
	No. of shares	Face value	Amount	No. of shares	Face value	Amount
a) Investments in equity Instruments:						
1) Subsidiaries: (Other than Trade, Unquoted carried at cost)						
Fully paid up						
i) Investment in Equity Shares of Midrange Software Pte Ltd, Singapore	1,904,915	SGD 1	551.24	1,904,915	SGD 1	551.24
ii) Investment in Equity Shares of Izmo Inc (Formerly Logix Americas Inc.,)	150,000	USD 1	14,569.37	150,000	USD 1	14,569.37
iii) Investment in Equity Shares of Logix Microsystems Inc., USA	65,500	USD 1	30.72	65,500	USD 1	30.72
iv) Investment in Equity Shares of Izmo Europe BVBA, Belgium	1,359,093	EURO 1	888.77	1,359,093	EURO 1	888.77
v) Investment in Equity Shares of Izmo Microsystems Pvt Ltd, India	10,000	INR 10	1.00	-	-	-
Total			16,041.10			16,040.10
Less: Provision for diminution in value of investments			(30.72)			(30.72)
Total			16,010.38			16,009.38

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
7 Deferred tax Assets (Net):		
a) Deferred tax liability:		
i) On account of depreciation on fixed assets (other than land)	-	-
ii) On account of fair valuation of investments	-	-
Total	-	-
b) Deferred tax asset:		
i) On account of depreciation on fixed assets (other than land)	46.71	39.35
ii) On account of timing differences in recognition of expenditure	-	-
Total	46.71	39.35
Net Deferred tax (liability)/asset	46.71	39.35
8 Other non current assets:		
(unsecured and considered good)		
a) Balances with revenue authorities	184.63	184.63
b) Advance payment of tax (net)	192.18	156.68
c) Capital advances	117.25	117.25
	494.06	458.55
Less: Allowance for bad and doubtful receivables	-	-
Total	494.06	458.55

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
9 Inventories:		
a) Finished goods	-	4.95
Total	-	4.95
10 Trade receivables:		
a) Trade receivables exceeding six months	118.88	74.19
b) others	1,366.09	178.32
Less: Allowance for doubtful receivables	1,484.97	252.52
	-	-
Total	1,484.97	252.52

Additional information:

1) Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,366.09	25.56	49.30	43.82	0.20	1,484.97
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,366.09	25.56	49.30	43.82	0.20	1,484.97
2) Breakup of above:						
a) Secured, considered good					-	-
b) Unsecured, considered good					1,484.97	252.52
c) Doubtful					-	-
Total					1,484.97	252.52
Less: Allowance for expected credit loss					-	-
Total					1,484.97	252.52
3) i) Debts due by directors or other officers of the company					-	-
ii) Amounts due by private companies in which directors of the Company are directors					198.80	149.69
Total					198.80	149.69
4) Also refer Note No. 42, in this regard.						
11 Cash and Cash Equivalents:						
Cash and cash equivalents:						
a) Balances with banks - in other accounts					559.35	307.31
b) Cash on hand					0.31	0.32
Total					559.66	307.63

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
12 Other Financial Assets:		
a) Loans and advances	384.61	461.46
b) Security Deposits	66.33	66.33
c) Others	368.45	282.73
	819.40	810.52
Less: Allowance for doubtful advances for advance paid to suppliers and others	-	-
Total	819.40	810.52

Additional information:

1) Disclosures of Promoters, Directors, KMPs & Related parties :

Types of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	
a) Promoters	-	-	-
b) Directors	-	-	-
c) KMPs	-	-	-
d) Related Parties	-	-	-
Additional information:			
1) Breakup of above:			
a) Secured, considered good		-	-
b) Unsecured, considered good		819.40	810.52
c) Doubtful		-	-
Total		819.40	810.52
Less: Allowance for doubtful advances for advance paid to suppliers and others		-	-
Total		819.40	810.52
2) i) Debts due by directors or other officers of the company		-	-
ii) Amounts due by private companies in which directors of the Company are directors		182.66	287.09

Notes to Financial Statements

For the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	(Rs. in Lakhs)	Nos.	(Rs. in Lakhs)
13 Share capital:				
Authorized:				
Equity shares of Rs. 10/- each	18,000,000	1,800.00	18,000,000	1,800.00
	18,000,000	1,800.00	18,000,000	1,800.00
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each				
At the beginning of the year	13,391,573	1,339.16	13,358,873	1,335.89
Issued during the year				
- by way of conversion of loan into fully paid up equity shares	-	-	-	-
- by way of conversion of Share Warrants into fully paid up equity shares	669,570	66.96	-	-
- by way of Employee Stock Options	52,500	5.25	32,700	3.27
At the close of the year	14,113,643	1,411.36	13,391,573	1,339.16
Total carried to Balance Sheet		1,411.36		1,339.16

a) Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Percentage	Nos.	Percentage
(i) Shashi Soni	1,894,196	13.42%	1,559,411	11.64%
(ii) Kiran Soni	2,057,337	14.58%	1,722,552	12.86%

Disclosure of Promoters Shareholding Pattern:

Shares held by promoters at the end of year 31st March , 2024				% Change during the year 2023-24
S No.	Promoter name	As at March 31, 2024		
		No of Shares	%of total shares	
(i)	Sanjay Soni	550,661	3.90%	0.21%
(ii)	Shashi Soni	1,894,196	13.42%	1.78%
(iii)	Kiran Soni	2,057,337	14.58%	1.71%
	Total	4,502,194	31.90%	3.70%

b) Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2019) pursuant to contracts without payment being received in cash

Particulars	As at March 31, 2024	As at March 31, 2023
Shares issued upon conversion of borrowings (No. of Shares)	-	-

Notes to Financial Statements

For the year ended March 31, 2024

Note : 14 Other Equity

(Rs. in Lakhs)

Particulars	Other Equity					Other Comprehensive Income			Total Other equity	
	Share premium	General Reserve	Retained earnings	ESOP outstanding Account	Total (A)	Mark to Market of Investment	Items that will be reclassified to profit or loss	Actuarial gains / (losses) of employee benefits		Total (B)
Total as at March 31 2022	15,007.91	63.40	537.17	67.21	15,675.67	-	-	51.78	51.78	15,727.45
Add/(Less): Loss for the Year	-	-	17.21	-	17.21	-	-	-	-	17.21
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-	-
Add: Employee stock option expenses	-	-	-	50.81	50.81	-	-	-	-	50.81
Add/(Less): Issue of shares under ESOP scheme	31.36	-	-	(31.36)	-	-	-	-	-	-
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	-	4.25	4.25	4.25
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-	-
Total as at March 31 2023	15,039.26	63.40	554.38	86.66	15,743.70	-	-	56.03	56.03	15,799.73
Add/(Less): Loss for the Year	-	-	19.07	-	19.07	-	-	-	-	19.07
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-	-
Add: Employee stock option expenses	-	-	-	144.50	144.50	-	-	-	-	144.50
Add/(Less): Issue of shares under ESOP scheme	64.39	-	-	(64.39)	-	-	-	-	-	-
Add/(Less): Issue of shares under conversion of share warrants	522.26	-	-	-	522.26	-	-	-	-	522.26
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	-	10.18	10.18	10.18
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-	-
Total as at March 31 2024	15,625.92	63.40	573.45	166.77	16,429.54	-	-	66.21	66.21	16,495.75

* Ind-AS Reclassification.

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non - Current Liabilities		
15 Borrowings:		
I) Secured loans:		
a. Loan from Banks/Financial institutions	60.16	57.12
Less: Current maturities on loan from banks	18.10	32.51
Total Secured loans	42.07	24.61
II) Unsecured loans:		
a) Loan from Banks/Financial institutions	91.48	136.07
Less: Current maturities on loan from banks	52.71	44.58
Total Unsecured loans	38.77	91.48
Total Borrowings - Non-Current	80.84	116.09
Additional information:		
1) Details of security for secured loans:		
Vehicle Loan from bank / financial institution secured against the hypothecation of the respective vehicles purchased	60.16	57.12
Term loan from Financial Institution is secured against immovable property and second charge on movable assets and personal guarantee by Promoter Directors.	-	-
2) Terms of repayment of term loans and others		
From Bank:		
i) Vehicle loan from bank/financial institution carries interest of 10.50% / 9.06% / 8.93% per annum and repayable in 60 equal monthly instalments.	-	-
3) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.	-	-
4) The company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period as at the balance sheet date.	-	-
5) Period and amount of continuing default as on Balance sheet date	-	-
i) In respect of Loan repayment and Interest:	-	-
Particulars	(Rs. in Lakhs)	(Rs. in Lakhs)
Term Loans		
- from Banks	-	-
- from Others	-	-
Particulars	As at March 31, 2024	As at March 31, 2023
Non - Current Liabilities		
16 Provisions:		
a) For employee defined benefit plans	222.36	192.73
b) For employee compensatory absences	97.70	84.77
Total	320.06	277.50

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liabilities		
17 Trade payables:		
a) Total outstanding dues of micro and small enterprises	1.87	2.14
b) Total outstanding dues other than micro and small enterprises	121.33	82.52
Total	123.20	84.66

Additional Information:

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
(i) MSME	1.87	-	-	-	1.87
(ii) Others	121.33	-	-	-	121.33
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	123.20	-	-	-	123.20

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under section 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises is as below:

SI No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Principal amount due and remaining unpaid	1.87	2.14
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payments under the MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
18 Other Financial Liabilities:		
a) Current maturities of secured and unsecured loan from bank	70.81	77.09
b) Advance from customers	184.24	214.11
c) Refundable Security deposits from Lessee	77.57	77.57
Total	332.62	368.77
19 Provisions:		
a) Provision for short term compensated absences	18.23	16.13
b) Provision for Gratuity	42.45	38.52
Total	60.68	54.64
20 Other Current Liabilities:		
a) Accrued Expenses and other liabilities	805.30	276.97
b) Statutory Dues	50.62	38.48
c) Deferred Income	23.10	54.01
d) Share Warrant money pending allotment	154.67	-
Total	1,033.69	369.45
21 Current Tax Liabilities (Net):		
a) Provision for tax (net of advance tax)	80.76	35.41
Total	80.76	35.41
Additional informations		
a) Tax charge in the Statement of Profit and Loss		
Current tax		
Current year	80.76	35.47
Deferred tax		
Deferred Tax expenses for the year	(7.36)	18.17
Income Tax expense for the year	73.40	53.63
b) Reconciliation of Effective Tax Rate Profit before Tax	105.15	75.10
Tax using Domestic tax rate (25.168%)	26.46	18.90
Tax effect of	-	-
Income tax @ different rate	NIL	NIL
Non-deductible tax expenses	230.12	85.81
Deductible tax expenses	14.38	15.74
Tax-exempt income		
Total	320.89	145.18
c) Current / Non-current Tax Assets/Liabilities		
Current Tax Liabilities	80.76	35.47
Non-current Tax Assets	46.71	39.35
	(34.05)	3.88

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	FYE 2023-24	FYE 2022-23
22 Revenue from operations:		
a) Software Sales & Services:		
- Domestic	482.19	109.32
- Exports	3,779.75	3,349.10
Total	4,261.94	3,458.42
23 Other income:		
a) Interest Income	19.53	19.55
b) Miscellaneous Income	38.39	16.31
c) Profit on sale of Assets	-	1.15
d) Rental Income	49.58	49.58
e) Support Service Income	6.00	6.00
Total	113.50	92.59
24 Cost of Purchase:		
a) Custom Duty	-	-
b) Cost of Purchase for Resale	405.88	63.39
Total	405.88	63.39
25 Changes in inventories of stock in trade:		
Stocks at the end of the year		
a) Trading goods		
Stock in Trade	-	4.95
Total	-	4.95
Less: Stocks at the beginning of the year		
a) Trading goods		
Stock in Trade	4.95	4.95
Total	4.95	4.95
26 Employee benefit expenses:		
a) Salaries , wages and bonus	2,693.07	2,493.06
b) Contribution to provident and other funds	87.21	79.83
c) Gratuity	54.99	49.38
d) Staff welfare expenses	47.07	34.31
e) Reclassification of Actuarial gains/ losses	10.18	4.25
f) Employee stock option expenses	144.50	50.81
Total	3,037.02	2,711.66
27 Finance costs:		
a) Interest expense	27.74	9.13
Total	27.74	9.13
28 Depreciation and amortization:		
a) Depreciation	91.30	93.04
b) Amortization of intangible assets	52.19	44.68
Total	143.49	137.72

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	FYE 2023-24	FYE 2022-23
29 Other expenses:		
a) Advertisement Expenses	3.69	2.14
b) Payment to auditors		
- as auditor	4.30	3.00
- for taxation and other matters	1.00	1.00
c) Bank Charges	3.57	11.26
d) Bad Debts Written-Off	7.51	0.50
e) Business Promotion Charges	4.05	11.89
f) Postage and Communication Expenses	109.77	33.15
g) Foreign Exchange Loss	-	32.25
h) Insurance	2.45	2.35
i) Listing Fees	5.85	6.26
j) Miscellaneous Expenses	1.32	1.28
k) Office Expenses	11.28	11.18
l) Power & Fuel	46.22	37.52
m) Printing & Stationery	2.67	2.83
n) Professional Fees	69.26	64.89
o) Rates & Taxes	12.01	13.70
p) Rent	173.35	159.03
q) Repairs & Maintenance Buildings	7.41	5.53
r) Repairs & Maintenance Others	77.97	60.88
s) Security Charges	12.99	11.28
t) Sitting fees	16.20	12.20
u) Travelling & Conveyance	76.87	59.88
v) Vehicle Maintenance	10.94	13.32
w) Water charges	0.71	0.94
Total	661.38	558.26
30 Additional Information:		
a) Value of Imports calculated on CIF basis:		
i) Purchases of Stock in Trade	-	-
ii) Capital goods	-	-
b) Expenditure in foreign currency:		
i) Purchases	-	-
ii) Foreign travel	35.39	21.73
c) Details of non-resident shareholdings		
i) Number of nonresident share holders	226	203
ii) Number of shares held by nonresident shareholders	479,852	406,138
iii) Amount remitted during the year in foreign currency on account of dividends	-	-
d) Earnings in foreign exchange:		
i) Software Exports & Consultancy	3,779.75	3,349.10

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	FYE 2023-24	FYE 2022-23
31 Earnings per share: (Basic and diluted)		
Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":		
(a) Before exceptional item		
Profit for the year after tax expense	19.07	17.21
Weighted average number of equity shares	13,496,907	13,379,747
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	0.14	0.13
(b) After exceptional item		
Profit for the year after tax expense	19.07	17.21
Add: Preference dividend payable including dividend tax	-	-
Total	19.07	17.21
Weighted average number of equity shares	13,496,907	13,379,747
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	0.14	0.13

(*) Effect of potential equity shares is antidilutive

Notes to Financial Statements

For the year ended March 31, 2024

32 DISCLOSURES AS PER IND AS 19 "EMPLOYEE BENEFITS":

(a) Defined Contribution Plan:

Contribution to defined contribution plan are recognized as expense for the year are as under:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Employer's contribution to provident & pension funds	87.21	79.83

(b) Defined Benefit Plan:

The employees' gratuity fund scheme and leave encashment are defined benefit plans. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

(Rs. in Lakhs)

1. Reconciliation of opening and closing balances of defined benefit obligation:	March 31, 2024		March 31, 2023	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation at beginning of the year	231.26	100.89	213.71	102.24
Current Service Cost (*)	28.98	-	30.81	-
Interest Cost	15.83	5.89	14.32	5.47
Actuarial (gain)/ loss	10.18	46.54	4.25	45.40
Benefits Paid	(21.43)	(37.39)	(31.84)	(52.23)
Defined Benefit obligation at end of the year	264.81	115.93	231.26	100.89
2. Reconciliation of opening and closing balance of fair value of plan assets:				
Fair value of plan assets at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Employer Contribution	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Fair value of plan assets at year end	-	-	-	-
Reconciliation of fair value of assets and obligations:				
Fair value of plan assets	-	-	-	-
Present value of obligation	264.81	115.93	231.26	100.89
Amount recognized in Balance Sheet under liabilities:	264.81	115.93	231.26	100.89

Notes to Financial Statements

For the year ended March 31, 2024

(Rs. in Lakhs)

Expense recognized during the year: (under "Note 26" "Employee Benefit Expenses" in the Statement of Profit and Loss)	March 31, 2024		March 31, 2023	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
In Income Statement:				
Current Service Cost	28.98	-	30.81	-
Interest Cost	15.83	5.89	14.32	5.47
Expected return on plan assets	-	-	-	-
In Other Comprehensive Income:				
Actuarial (gain)/ loss	10.18	46.54	4.25	45.40
Net Cost	54.99	52.43	49.38	50.88
Actuarial assumptions:	March 31, 2024		March 31, 2023	
Mortality Table	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)
Discount rate (per annum)	6.97%	6.97%	7.18%	7.17%
Expected rate of return on plan assets (per annum)	5.00%	5.00%	5.00%	5.00%

(*) Leave provision for current year includes provision for short term compensated absence as assessed by the actuary.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(c) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, has been determined based on possible effect of changes of an assumption occurring at end of the reporting period, while holding all other assumptions constant.

(Rs. in Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 1.0%)	273.88	256.30	239.21	223.77
Change in rate of salary increase (delta effect of +/- 1.0%)	257.55	272.34	224.48	238.06
Change in rate of Mortality (delta effect of +/- 0.5%)	264.75	264.87	231.19	231.30
Change in rate of Attrition (delta effect of +/- 0.5%)	263.85	265.72	230.33	232.12

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Notes to Financial Statements

For the year ended March 31, 2024

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

33 SEGMENT REPORTING:

Primary Segments

Based on the guiding principles in Indian Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India, classification by geographic segment are the primary reportable segments, comprising of:

- i) Export
- ii) Domestic

	(Rs. in Lakhs)	
Particulars	March 31, 2024	March 31, 2023
Revenue:		
Export *	3,779.75	3,349.10
Domestic *	482.19	109.32
Net Income from Operations	4,261.94	3458.42
Add: Income from Exceptional Items/Other Income	113.50	92.59
Profit before Depreciation/Tax/Interest/Amortization :		
-from Exports	265.47	173.75
-from Domestic*	(101.68)	(36.88)
Income from Exceptional Items/Other Income	113.50	92.59
Total	277.29	229.46
Less:		
(1) Interest	31.31	20.39
(2) Other Unallocated Expenses	7.51	0.50
(3) Depreciation/Amortization	143.49	137.72
Profit Before Taxation	94.97	70.85

Segmental Capital Employed:

Assets and Liabilities contracted have not been identified to any of the reportable segments, as the assets are used interchangeably between segments and it is not practicable to reasonably allocate the liabilities to individual segments. Accordingly no disclosure relating to segments assets and liabilities are made.

Notes to Financial Statements

For the year ended March 31, 2024

34 RELATED PARTY TRANSACTIONS:

(a) Name of related parties and description of relationship where controls exists:

Sl. No.	Name of the Related Party	Relationship
1	Midrange Software Pte Ltd, Singapore Izmo Inc, USA Izmo Europe, BVBA Izmo Microsystems Pvt Ltd, India	Wholly Owned Subsidiary
2	Groupe izmo Frog Data LLC Izmo Consulting Izmo France,SARL	Step down subsidiary
3	Mrs. Shashi Soni Mr. Sanjay Soni Mrs. Kiran Soni Mr. Danish Reza Ms. Sonal Jaju	Key Management Personnel and their relatives ("KMP")
4	Aries Gases Private Limited Deep Heritage Deep Oxygen Private Limited,India Deep Investment Advisory Bangalore Private Limited KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India) Hughes Precision Manufacturing Pvt Ltd	Enterprises over which key management personnel and their relatives are able to exercise significant influence

(b) Transactions with the related parties

(Rs. in Lakhs)

Particulars	Relationship	Current Year	Previous Year
Purchase of goods and services/Reimbursements/Other receipts			
KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India)	Enterprises over which KMP and their relatives are able to exercise significant influence	30.14	27.09
Hughes Precision Manufacturing Pvt Ltd		15.57	11.61
Rental Income			
KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India)	Enterprises over which KMP and their relatives are able to exercise significant influence	35.76	35.76
Hughes Precision Manufacturing Pvt Ltd		13.81	13.81
Remuneration paid:			
Mrs. Shashi Soni	KMP	21.00	19.50
Mr. Sanjay Soni	KMP	95.83	95.83
Mrs. Kiran Soni	KMP	33.00	30.00
Mr. Danish Reza	KMP	0.88	10.35
Ms. Sonal Jaju	KMP	9.10	-

Notes to Financial Statements

For the year ended March 31, 2024

(c) Outstanding balances at the end of the year:

(Rs. in Lakhs)

Particulars	Relationship	As at March 31, 2024	As at March 31, 2023
Midrange Software Pte Ltd, Singapore*	Wholly Owned Subsidiary	(184.10)	(181.70)
Izmo Microsystems Pvt Ltd		240.32	-
Kylux Nanometter Manufacturing Private Limited (Formerly Si2 Microsystems Private Limited, India)	Enterprises over which key management personnel and their relatives are able to exercise significant influence	140.55	443.71
Deep Heritage		-	2.88
Hughes Precision Manufacturing Pvt Ltd (Receivable)		0.59	0.65

* Negative figure denotes Credit balance

35 OPERATING LEASE (Ind AS 17):

The Company has various operating leases for office facilities which is renewable on a periodic basis, and cancellable at its option. Rental expenses for operating leases included in the financial statements for the year are Rs. 173.35 Lakhs (Previous Year Rs. 159.03 Lakhs).

36 Financial risk management objectives and policies:

The entity's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the entity's operations to support its operations. The entity's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents that are derived directly from its operations.

The entity is exposed to market risk/credit and liquidity risks. The entity's senior management oversee the management of these risks. The board reviews their activities. No significant derivative activities have been undertaken so far.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2024 and March 31, 2023:

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

Notes to Financial Statements

For the year ended March 31, 2024

The following assumption has been made in calculating sensitivity analysis.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023 including the effect of hedge accounting.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the some of the vendor payments and customer receivables.

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2024 are as under:

Particulars	As at March 31, 2024		As at March 31, 2023	
	FCY	₹ in Lakhs	FCY	₹ in Lakhs
Assets (Receivables)	1,457,871.86	1,215.48	112,669.00	92.63
Liabilities (Payables)	23,927.03	184.10	23,927.03	214.10
	194,924.00		234,332.00	

Foreign currency sensitivity:

Rs in Lakhs

Particulars	As at March 31, 2024 Changes in FCY Rate by:		As at March 31, 2023 Changes in FCY Rate by:	
	1%	-1.00%	1%	-1.00%
Effect on Profit before tax	10.31	(10.31)	(1.21)	1.21

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from its operating (primarily trade receivables) and investing activities including deposits placed with banks, financial institutions and other corporate deposits. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. Financial assets are classified into performing, under-performing and non performing. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

Notes to Financial Statements

For the year ended March 31, 2024

37 Fair Value Measurement (Ind AS 113):

The Financial Instruments of the Company are initially recorded at fair value and subsequently measured at amortized cost based on the nature and timing of the cash flows.

The below table summarises particulars of Financial Instruments used:

Particulars	31-Mar-24	31-Mar-23
Financial Assets at amortized cost:		
Investments	16,010.38	16,009.38
Trade Receivables	1,484.97	252.52
Other Financial Assets	819.40	810.52
Cash & Cash Equivalents	559.66	307.63
Total Financial Assets	18,874.41	17,380.05
Financial Liabilities at amortized cost:		
Borrowings	80.84	116.09
Other Financial Liabilities	332.62	368.77
Trade Payables	123.20	84.66
Total Financial Liabilities	536.66	569.52

The Company has not classified any Financial Asset or Liabilities as measured at Fair value through Profit and Loss (FVTPL) or measured at Fair Value through Other Comprehensive Income (FVTOCI).

The Fair Value of the above financial assets and liabilities are measured at amortized cost which is considered to be approximate to their fair values.

38 Employee Stock-Option Scheme

The Company has issued ESOP scheme under which Stock Options (ESOP), have been granted to employees. The scheme provides for equity / cash settled grants to employees whereby the employees can purchase equity shares by exercising options as vested at the exercise price specified in the grant. The options granted till March 31, 2023 have a vesting period of maximum 3 years from the date of grant.

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

SI No	Particulars	31-Mar-24	31-Mar-23
i)	Employee Stock Options Expenses	144.50	50.81
	Total	144.50	50.81

39 Managerial Remuneration

SI No	Particulars	31-Mar-24	31-Mar-23
i)	Salary and allowances	128.18	126.68
ii)	Contribution to Provident fund	0.65	0.65
	Total	128.83	127.33

The above amounts do not include Gratuity and Leave encashment benefits as the provisions for these are determined for the Company as a whole and therefore separate amounts for the Directors are not available. Also the above remuneration excludes certain perquisites and allowances which are directly borne by Company.

Directors remuneration for the current year is sum of Rs.95.83 Lakhs paid to the managing director in accordance with the limits approved by the shareholders at the AGM held on 26th September 2022.

Notes to Financial Statements

For the year ended March 31, 2024

40 Commitments

(Rs.in Lakhs)

SI No	Particulars	31-Mar-24	31-Mar-23
i)	Warranty Costs on Software Sale	Not Quantified	Not Quantified
ii)	On account of Capital expenditure		
	a) Software under development	-	-
	b) Acquisition of immovable properties	200	200

41 Contingent Liabilities (to the extent of which not provided for)

(Rs.in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Money for which the company is contingently liable:		
Bank Guarantee*	1.72	1.72

*Bank Guarantee issued to Canara Bank, Customer as per terms of contract.

Contingent Liabilities with respect to Income tax & Transfer Pricing demands in dispute (to the extent of which not provided for)

Name of the statute	Nature of dues	Demand disputed (Amt.in Rs.)	Amount Paid Under Protest (Amt.in Rs.)	AY	Forum where dispute is pending
Income-tax Act, 1961	Transfer pricing	-	-	2005-06	AO to give effect to the ITAT order
Income-tax Act, 1961	Transfer pricing	12,740,080	-	2009-10	Rectification filed with the AO; Appeal filed with the HC
Income-tax Act, 1961	Transfer pricing	36,750,932	7,000,000	2010-11	Karnataka High Court
Income-tax Act, 1961	Transfer pricing	30,910,300	-	2011-12	Karnataka High Court
Income-tax Act, 1961	Income-tax and Transfer pricing	22,885,010	-	2012-13	CIT(A)
Income-tax Act, 1961	Income-tax	8,423,520	-	2013-14	AO to give effect to CIT (A) order
Income-tax Act, 1961	Income-tax and Transfer pricing	51,033,800	10,206,761	2014-15	CIT(A)
Income-tax Act, 1961	Income-tax	14,704,667	-	2017-18	CIT(A)

42 a) Sundry Debtors includes the following amounts in respect of dues from Subsidiaries:

(Rs. in Lakhs.)

Particulars	March 31, 2024		March 31, 2023	
	Closing balance	Maximum Balance during the year	Closing balance	Maximum Balance during the year
Izmo Inc.	-	-	-	-

Notes to Financial Statements

For the year ended March 31, 2024

43 The Company has filed an appeal before the Honourable High Court Of Karnataka against order of the ITAT for the AY 2010-11 & AY 2011-12 and the said appeals are pending for disposal as on Balance sheet date.

44 Additional Regulatory Information:

Ratios:

SI No	Ratio Name	Formula	FY 2023-24	FY 2022-23	% of change	Detailed Explanation for change (Where the change is 25% or more as compared to the immediately previous financial year)
i)	Current Ratio	Current Assets / Current Liabilities	1.76	1.51	17%	Not applicable
ii)	Debt Equity Ratio	Total Debt/ Shareholder's fund	0.85%	1.13%	-25%	The reduction is mainly due to increase in share capital during FY 2023-24
iii)	Debt Service Coverage Ratio	EBIT/ Interest+Principal	114.73%	125.65%	-9%	Not Applicable
iv)	Return on Equity Ratio(in %)	Net Earnings/ Shareholder's fund	0.11%	0.10%	6%	Not Applicable
v)	Inventory Turnover ratio	Cost of Goods Sold / Average Inventory	-	-	-	Not applicable
vi)	Trade Receivables Turnover Ratio	Net credit sales/ Avg Trade Receivables	4.91	12.57	-61%	Reduction due to significant increase in Average Trade receivables for the year as compared to PY.
vii)	Trade Payables Turnover Ratio	Net credit purchases / Avg Trade payables	3.95	0.52	659%	Increase due to significant increase in purchases during FY 2023-24 on account of higher domestic sales.
viii)	Net Capital Turnover Ratio	Net annual sales/ Working capital	3.5	7.5	-54%	Reduction is due to increase in working capital during the FY 23-24 as compared to PY 22-23
ix)	Net Profit Ratio(in %)	Net profit/Sales	0.45%	0.50%	-10%	Not Applicable
x)	Return on Capital Employed	EBIT/ Capital Employed	0.67%	0.46%	47%	The Increase in EBIT is due to increase in net profit & revenue during FY 2023-24
xi)	Return on Investment(ROI)	Income generated from investments/Time weighted average investments	-	-	-	Not applicable: Since, there is no any income generated from investments during FY 2023-24

45 There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period

46 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

47 The proceedings haven't been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at the balance sheet date.

Notes to Financial Statements

For the year ended March 31, 2024

- 48** a) The company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) nor received with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/Funding party (Ultimate Beneficiaries).
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- b) The company has not received any funds 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;
- (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 49** The Company has used 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 for all relevant transactions recorded in the accounting software and payroll software, except that audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the payroll application and the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software and payroll software.
- 50** The Company doesn't have any transaction 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), unless there is immunity for disclosure under any scheme as at the balance sheet date.
- 51** The Company hasn't traded or invested in Crypto currency or Virtual Currency during the financial year.
- 52** Balances of Sundry Debtors, Loans & Advances are subject to reconciliation and confirmation.
- 53** All figures have been rounded-off to the nearest Rupees in lakhs. Previous Year's figures have been re-grouped/ reclassified wherever necessary to conform to the current year Presentation.

for and on behalf of the Board

As per my Report of even date

Sanjay Soni

Managing Director

DIN: 00609097

Place: Bangalore

Date: 30th May, 2024

Shashi Soni

Chairperson

DIN: 00609217

Kiran Soni

Chief Financial Officer

Sonal Jaju

Company Secretary

Ramaswamy Vijayanand

Chartered Accountant

Membership No. 202118

Independent Auditor's Report

To the Members of Izmo Limited

Report on the Consolidated Financial Statements

Opinion

I have audited the accompanying consolidated financial statements of **Izmo Limited** (herein referred to as 'the Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group'), comprising the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred as the "consolidated financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidate total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date subject to:

1. The Financial Statements of all the subsidiaries incorporated outside India are not audited by me, nor it is audited by any of the auditors in the respective countries. I have only reviewed these Financial Statements along with the information and explanations provided by the management.
2. The total turnover of INR 14,461.75 Lakhs and the net worth of INR 12,431.5 Lakhs pertaining to these subsidiaries incorporated outside India are not audited by me.
3. The Financial statements of all the subsidiaries, incorporated outside India, used in the consolidated financial statements are solely certified by management.

Basis of Opinion

I have conducted my audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. My responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and I have fulfilled my other ethical responsibilities in accordance with the provisions of the Act. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters ('KAM') are those matters that, in my professional judgment, were of most significance in my audit of the Consolidated financial statements of the current period. These matters were addressed in the context of my audit of the Consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicate in my report.

1. (a) Evaluation of uncertain tax positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes Refer Notes 2(i) & 40 to the Consolidated Financial Statements.

1. (b) Auditor's Response

- Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from management.
- Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
- Assessed management's estimate of the possible outcome of the disputed cases.

Independent Auditor's Report To the Members of Izmo Limited

I have reviewed but not Audited the Financial Statements of Subsidiaries incorporated outside India and unable to comment on Evaluation of uncertain tax positions if any with respect to subsidiaries incorporated outside India.

2.(a) Receivables outstanding for more than 6 months & Confirmation of balances

The Company is of the opinion that Receivables are good in nature and will be realized with certainty in the subsequent period.

Refer Notes 9 & 44 to the Consolidated Financial Statements.

2.(b) Auditor's Response

- The Company must take necessary steps to receive the money within the timelines and keep receivables under control.
- The Debtors balances are subject to confirmation and reconciliation.

I have reviewed but not Audited the Financial Statements of Subsidiaries incorporated outside India and unable to comment on Receivables outstanding for more than 6 months & Confirmation of balances with respect to subsidiaries incorporated outside India.

Emphasis of Matter

As more fully described in Note. 40 & 42 to the Consolidated Financial Statements and in Point 3 of key Audit Matters, The Company is responding to inquiries from Indian regulatory authorities. The scope, duration or outcome of these matters are uncertain.

My opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the

consolidated financial statements, standalone financial statements and my auditor's report thereon.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Independent Auditor's Report

To the Members of Izmo Limited

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

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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, I am also responsible for expressing my opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If I conclude that a material uncertainty exists, I am required to draw attention in my auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the audit of financial information of such entities.

I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my audit opinion on the consolidated financial statements.

I communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which I am the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Independent Auditor's Report To the Members of Izmo Limited

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on my audit, I report that:

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books except for the matters stated in paragraph (vi) of (i) below on reporting under Rule 11(g).
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;
- d) In my opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the company as on March 31, 2024, taken on record by the Board of Directors of the Company and its subsidiary

companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;

- f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 above on reporting under Section 143(3)(b) and paragraph (vi) below on reporting under Rule 11(g).
- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to my separate report in "Annexure A" which is based on the auditor's report of the Company and its subsidiary companies incorporated in India. My report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies for the reasons stated therein.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of my information and according to the explanations given to me:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Independent Auditor's Report To the Members of Izmo Limited

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv.
- (a) The Management of the Company, have represented to me that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management of the Company, have represented to me that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by me on the Company, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement. It should be noted that for the purpose of this clause components included in consolidated financial statements are foreign incorporated entities hence there are no subsidiaries identified in India.
- v The company has not declared or paid any dividend during the year.
- vi Based on my examination which included test checks, performed by me on the Company and its subsidiary incorporated in India, except that audit trail feature is not enabled for certain changes made, if any, using certain access rights, as described in note 49 to the financial statements, have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, I have not come across any instance of the audit trail feature being tampered with.
- The financial statements of seven subsidiaries that are material to the Consolidated Financial Statements of the Group, have not been audited by any auditor. Therefore, I am unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these seven subsidiaries.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, based on my audit of the financial statements of Izmo Microsystems Private Limited for the year ended March 31, 2024, I have not reported any qualifications or adverse remarks.

Ramaswamy Vijayanand

Chartered Accountant

M. No: 202118

Place: Bangalore

Date: May 30, 2024

UDIN: 24202118BKAVKC2947

Annexure - A to the Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of **Izmo Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with my audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, I have audited the internal financial controls over financial reporting of **Izmo Limited** (herein referred to as 'the Company') and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective 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

My responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance

Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

I believe that the audit evidence I have obtained, is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Independent Auditor's Report

To the Members of Izmo Limited

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies 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.

Ramaswamy Vijayanand

Chartered Accountant

M. No.: 202118

Place: Bangalore

Date: May 30, 2024

UDIN: 24202118BKAVKC2947

Consolidated Balance Sheet

As at March 31, 2024

(Rs. in Lakhs)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
I.	ASSETS			
	Non-Current Assets			
	(a) Property, plant and equipment	3	357.87	324.29
	(b) Investment Property	4	151.28	162.10
	(c) Other Intangible assets	5	25,597.94	24,228.61
	(d) Deferred tax assets	6	46.93	39.35
	(e) Other non-current assets	7	494.06	458.55
	Total Non-current assets		26,648.08	25,212.89
	Current Assets			
	(a) Inventories	8	-	4.95
	(b) Financial assets			
	(i) Trade receivables	9	5,631.37	2,912.88
	(ii) Cash and cash equivalents	10	1,691.96	1,163.65
	(iii) Other financial assets	11	2,396.29	3,015.92
	Total Current assets		9,719.62	7,097.40
	TOTAL ASSETS		36,367.71	32,310.29
I.	EQUITY AND LIABILITIES			
	Shareholders' Funds			
	(a) Share capital	12	1,411.36	1,339.16
	(b) Other equity	13	29,233.89	25,951.88
	TOTAL EQUITY		30,645.25	27,291.04
II.	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	440.95	594.86
	(b) Provisions	15	320.06	277.50
	Total Non current liabilities		761.01	872.36
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	(i) micro and small enterprises, and	16	1.87	2.14
	(ii) other than micro and small enterprises	16	442.92	209.89
	(ii) Other Financial Liabilities	17	488.71	562.04
	(b) Provisions	18	60.68	54.64
	(c) Other current liabilities	19	3,886.50	3,274.96
	(d) Current Tax Liabilities (Net)	20	80.76	43.22
	Total Current liabilities		4,961.45	4,146.89
	TOTAL EQUITY AND LIABILITIES		36,367.71	32,310.29

for and on behalf of the Board

As per my Report of even date

Sanjay Soni

Managing Director

DIN: 00609097

Place: Bangalore

Date: 30th May, 2024

Shashi Soni

Chairperson

DIN: 00609217

Kiran Soni

Chief Financial Officer

Sonal Jaju

Company Secretary

Ramaswamy Vijayanand

Chartered Accountant

Membership No. 202118

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars		Note No.	Current Year		Previous Year	
I	Revenue from operations	21		18,674.83		15,382.69
II	Other income	22		334.27		353.18
III	Total Income (I + II)			19,009.10		15,735.87
IV	Expenses:					
	Purchases of stock in trade	23	405.89		63.39	
	Changes in inventories of finished goods, work in progress and Stock-in-Trade	24	4.95		-	
				410.84		63.39
	Employee benefits expense	25		8,424.96		7,003.37
	Finance costs	26		97.04		34.20
	Depreciation and amortization expense	27		1,543.67		1,162.52
	Other expenses	28		5,849.51		5,401.87
	Total expenses			16,326.02		13,665.35
V	Profit before exceptional items and tax (III-IV)			2,683.08		2,070.52
VI	Exceptional Items	29		-		-
VII	Profit before tax (V-VI)			2,683.08		2,070.52
VIII	Tax expense:					
	Current tax		83.11		50.71	
	Taxes of earlier years		2.50		-	
	Deferred tax		(7.59)	78.02	18.17	68.88
IX	Profit for the year from continuing operations (VII - VIII)			2,605.06		2,001.64
X	Profit/(loss) from discontinuing operations			-		-
XI	Tax expense of discontinuing operations			-		-
XII	Profit/(loss) from discontinuing operations (after tax) (X-XI)			-		-
XIII	Profit for the year			2,605.06		2,001.64
XIV	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of the defined benefit plans		10.18		4.25	
	b) Taxes on above		-		-	
	(ii) Items that may be reclassified to profit or loss					
	a) Mark to Market of Investments		-	-	-	-
	b) Taxes on above		-	10.18	-	4.25
XV	Total Comprehensive Income for the year (XIII + XIV)			2,615.24		2,005.89
XVI	Earning per equity share before exceptional item:	31		19.30		14.96
	Basic & diluted (in ₹)					
	Earning per equity share after exceptional item:	31		19.30		14.96
	Basic & diluted (in ₹)					
	(Paid up value per share)			10.00		10.00
	Significant accounting policies and notes attached form an integral part of the financial statements					

for and on behalf of the Board

As per my Report of even date

Sanjay Soni

Managing Director

DIN: 00609097

Place: Bangalore

Date: 30th May, 2024

Shashi Soni

Chairperson

DIN: 00609217

Kiran Soni

Chief Financial Officer

Sonal Jaju

Company Secretary

Ramaswamy Vijayanand

Chartered Accountant

Membership No. 202118

Consolidated Cash Flow Statement

For the year ended March 31, 2024

(Rs. in Lakhs)

Particulars		March 31, 2024	March 31, 2023
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	2,693.26	2,074.77
	Adjustments for:		
	Depreciation	1,543.67	1,162.52
	Interest Expense	97.04	34.20
	Interest Income	(16.87)	(19.55)
	Rental Income	(49.58)	(49.58)
	Profit on Sale of Assets	-	(1.15)
	Employee stock option expenses	144.50	50.81
	Operating Profit Before Working Capital Changes	4,412.03	3,252.03
	Movements in Working Capital :		
	(Increase)/Decrease in Trade Receivables	(2,718.49)	759.68
	(Increase)/Decrease in short term Loans and Advances	584.12	(1,355.27)
	Increase/(Decrease) in Current Liabilities and Provisions	857.11	385.39
	Cash Generated from Operations	3,139.72	3,041.82
	Direct Taxes paid (Net of Refunds)	(85.61)	(50.71)
	Net cash from Operating Activities	3,054.11	2,991.11
B.	Cash Flows from Investing Activities		
	Purchase/Addition of Fixed Assets	(2,935.77)	(2,994.92)
	Capital Work-in-Progress	-	-
	Proceeds from Sale of Fixed Assets	-	1.15
	Rental Income	49.58	49.58
	Interest Received	16.87	19.55
	Net cash used in Investing Activities	(2,869.32)	(2,924.64)
C.	Cash Flows from Financing Activities		
	Additional / (Repayment) of Long Term Borrowings	(153.91)	(3.81)
	Proceeds from issue of equity share capital (net of expenses)	594.47	3.27
	Interest paid	(97.04)	(34.21)
	Net Cash used in Financing Activities	343.51	(34.74)
	Net increase in Cash and Cash Equivalents (A + B + C)	528.30	31.73
	Cash and Cash Equivalents at the Beginning of the Year	1,163.65	1,131.93
	Cash and Cash Equivalents at the End of the Year	1,691.96	1,163.66
	Components of Cash and Cash Equivalents	March 31, 2024	March 31, 2023
	Balances with Scheduled Banks		
	- In Current & other accounts	1,690.87	1,162.58
	Cash on Hand	1.09	1.08
	Total	1,691.96	1,163.65

for and on behalf of the Board

Sanjay Soni

Managing Director

DIN: 00609097

Place: Bangalore

Date: 30th May, 2024

Shashi Soni

Chairperson

DIN: 00609217

Kiran Soni

Chief Financial Officer

Sonal Jaju

Company Secretary

As per my Report of even date

Ramaswamy Vijayanand

Chartered Accountant

Membership No. 202118

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

1. BACKGROUND:

IZMO LIMITED ("the Group") consists of companies operating in India, Europe, United States, Singapore and France. The group is engaged in interactive marketing solutions. The company offers hi-tech automotive e-retailing solutions.

2. SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with Accounting Standards ("AS") specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated Financial Statement represents the consolidated Accounts of Izmo Limited with its subsidiaries as detailed below:

Sl No	Name	Country	Ownership/Control
1	Midrange Software Pte Ltd	Singapore	100%
2	Izmo Inc	USA	100%
3	Izmo Europe BVBA	Belgium	100% *
4	Izmo France SARL (Subsidiary of Groupe Izmo)	France	100%
5	Frog Data (Subsidiary of Izmo Inc Group, USA)	USA	100%
6	Groupe Izmo (Subsidiary of Izmo Inc Group, USA)	France	100%
7	Izmo Consulting (Subsidiary of Izmo France)	France	100%
8	Izmo Microsystems Pvt Ltd	India	100%

*Izmo Ltd along with its US subsidiary Izmo Inc, is holding 100% shareholding of Izmo Europe BVBA.

The financial statements of subsidiaries used in the consolidated are drawn up to the same reporting date as that of the parent company i.e., year ended 31.03.2024.

The financial statements of the Indian company are prepared in accordance with the Indian Accounting Standards followed in India. The financial statements of the subsidiary in Singapore are prepared in accordance with the Singapore Statement of Accounting Standards. The financial statements of the US subsidiaries are prepared in accordance with the accounting practices in the US. The financial statements of the subsidiary in Belgium are prepared in accordance with the accounting practices in Belgium. The effect of adoption of non-uniform accounting policies/practices has not been quantified.

Differences arising on account of change in the financial statement of the subsidiary for previous period, consequent to their finalization, as compared to the figure previously adopted for the purpose of consolidation are treated as a prior period item and related adjustments are carried out where necessary.

b) USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect certain reported balances of assets and liabilities, disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Accordingly, future results could differ due to changes in these estimates and the difference between the actual result and the estimate are recognized in the period in which the results are known / materialize.

c) PROPERTY, PLANT AND EQUIPMENT:

(i) Tangible assets:

Property Plant and Equipment (PPE) and other tangible assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses relating to the acquisition, installation, erection and commissioning less depreciation.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

Internally manufactured assets are valued at works cost. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the Statement of Profit & Loss while incurred. Spare parts whose life has more than 12 month has been considered as PPE and capitalized by the company.

(ii) Intangible assets:

Intangible assets are accounted at cost of acquisition less depreciation /amortization.

(iii) Depreciation & Amortization:

- a. Depreciation on PPE bought/sold during the year is charged on straight line method as per the useful life in Schedule II of Act, depending upon the month of the financial year in which the assets are installed/sold. For the assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated on over the remaining useful life as defined in Schedule II of the Act.
- b. Intangible assets are amortized over a period of 2-5 years.

(iv) Investment Property:

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the useful lives and is recognised in the statement of profit and loss. Depreciable

investment properties have been ascribed a useful life in the range of 30 years.

d) INVESTMENTS:

- (i) Investments unless otherwise stated are considered as long term in nature and are valued at acquisition cost less provision for diminution, if any other than those which are considered as temporary in nature.
- (ii) Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

e) INVENTORIES:

- (i) Inventories does not include spare parts, servicing equipment and stand by equipment which meet definition of PPE as per AS-10 (revised) .
- (ii) Raw materials, stores, spare parts and components are valued at cost on weighted average basis or net realizable value whichever is lower.
- (iii) Work in progress is valued at works cost or net realizable value whichever is lower.
- (iv) Finished goods are valued at works cost or net realizable value whichever is lower.
- (v) Material cost of work in progress and finished goods are computed on weighted average basis.

f) REVENUE RECOGNITION:

Revenue is recognized to an extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) **Revenue from Contract with Customer:** Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations maybe satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method. A liability is recognised for expected sale returns and corresponding assets are recognised for the products expected to be returned.

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer.

- (ii) Interest income is recognized on time proportion basis.
- (iii) Dividend income is recognized, when the right to receive the dividend is established.
- (iv) Rental income is recognized on time proportion basis.

g) EMPLOYEE BENEFITS:

(i) Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the service are classified as short term. Benefits such as salaries, bonus, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

(ii) Post employment benefits:

a. Defined contribution plans:

The Company has contributed to provident and pension which are defined contribution plans. The contributions paid/ payable under the scheme are recognized during the year in which employee renders the related service.

b. Defined benefit plans:

Employees' gratuity is defined benefit plan. The present value of the obligation under such plan is determined based on actuarial valuation using the Projected Unit Credit Method which considers each year of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains and losses are recognized in the statement of other comprehensive income in the year they arise. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms that matches to the defined benefit obligation.

c. Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the statement of profit and loss in the year in which they arise.

(iii) Share Based Payments:

Share-based compensation benefits are provided to employees via the IZMO Limited Employee Stock Option Plan.

The fair value of options granted under the Employees' Stock Option Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

h) FOREIGN CURRENCY TRANSACTIONS:

- (i) Foreign currency transactions are translated into rupees at the exchange rate prevailing on the date of the transaction / rates that approximate the actual rates as at that date.
- (ii) Monetary foreign currency assets and liabilities outstanding as at the year-end are restated at the exchange rates prevailing as at the close of the financial year. All exchange differences are accounted for in the statement of profit and loss.
- (iii) Non monetary items denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.
- (iv) The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and Liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- All resulting exchange differences are recognised in the the statement of comprehensive income
- Goodwill and fair value adjustments arising on the acquisition of a foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate.

i) TAXES ON INCOME:

Provision for Income-tax of the company has been made at the higher of that on the assessable income or on basis of section 115 JB of the Income Tax Act, 1961 after taking cognizance of excess / short provision in prior years. Deferred tax is recognized subject to consideration of prudence, on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets / liabilities are reviewed as at each Balance sheet date.

In terms of the Guidance note on accounting for credit available in respect of Minimum Alternative Tax(MAT) under the Income Tax Act 1961, issued by the ICAI, the excess of MAT over normal current tax payable has been recognized as an asset by way of credit to the profit & loss account as "MAT credit entitlement"

j) BORROWING COSTS:

Interest and other borrowing costs on specific borrowings relating to qualifying assets are capitalized up to the date such assets are ready for use / intended to use. Other interest and borrowing costs are charged to the statement of profit and loss.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

k) PROVISIONS AND CONTINGENT LIABILITIES:

- (i) A provision is recognized when the Company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits, decommissioning and site restoration cost) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (ii) Financial effect of contingent liabilities is disclosed based on information available upto the date on which financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of the contingent liability.

l) EARNINGS PER SHARE:

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

m) FINANCIAL INSTRUMENTS:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i) Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash and deposit with banks. The company considers all highly liquid investments including demand deposits with bank with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

(iii) Financial assets at fair value through other comprehensive income (FVTOCI)

All equity investments and unquoted debentures are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

n) IMPAIRMENT:

(i) Financial Assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non Financial Assets:

A non financial asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss, in the year in which an asset is identified as impaired.

o) LEASES:

(i) Operating leases

Where the Company is Lessee:

- 1) The Company's lease asset classes primarily consist of lease rentals for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract 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.
 - (iii) the Company has the right to direct the use of the asset.

- 2) At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- 3) Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- 4) Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.
- 5) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(ii) Finance leases

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other financial liabilities. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liabilities included in Non-current liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(iii) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to its operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

p) SEGMENT REPORTING:

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

3. Property plant and equipment: Tangible assets

(Rs. in Lakhs)

Particulars	Land	Computers	Plant & Machinery	Office equipments	Electrical Installations	Furniture and fittings	Leasehold Improvements	Motor vehicles	Total
Gross block:									
Balance as at 31 March 2022	46.74	698.45	71.03	908.15	114.95	171.97	172.90	207.55	2,391.74
Additions	-	43.56	1.05	26.80	6.96	18.76	-	-	97.12
Disposals	-	-	-	-	2.23	-	-	-	2.23
Balance as at 31 March 2023	46.74	742.00	72.08	934.95	119.68	190.73	172.90	207.55	2,486.64
Additions	-	19.83	10.26	45.47	4.03	9.86	5.00	58.67	153.13
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	46.74	761.84	82.34	980.42	123.71	200.59	177.90	266.22	2,639.77
Accumulated depreciation									
Balance as at 31 March 2022	-	605.54	70.26	879.92	87.33	129.62	171.86	103.63	2,048.17
Depreciation charge for the year	-	52.46	0.23	27.77	4.88	8.97	0.38	21.73	116.41
Disposals	-	-	-	-	2.23	-	-	-	2.23
Balance as at 31 March 2023	-	658.01	70.49	907.69	89.98	138.58	172.24	125.36	2,162.35
Depreciation charge for the year	-	47.93	0.54	29.59	5.54	10.08	0.46	25.39	119.55
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	705.93	71.04	937.28	95.52	148.67	172.70	150.75	2,281.90
Net Block:									
Balance as at 31 March 2023	46.74	84.00	1.59	27.26	29.70	52.15	0.66	82.19	324.29
Balance as at 31 March 2024	46.74	55.91	11.30	43.14	28.19	51.93	5.20	115.47	357.87

Additional information:

- 1) Management has determined that there are no significant parts of assets whose useful life is different from that of the principal asset to which it relates to in terms of Note 4 Schedule II to the Companies Act, 2013. Accordingly, useful life of assets have been determined for the overall asset and not for its individual components.
- 2) The company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

4. Investment Property

(Rs. in Lakhs)

Particulars	Building
Gross Block:	
Balance as at 31 March 2022	614.85
Additions	-
Balance as at 31 March 2023	614.85
Additions	-
Balance as at 31 March 2024	614.85
Accumulated depreciation:	
Balance as at 31 March 2022	441.94
Amortisation charge for the Year	10.81
Balance as at 31 March 2023	452.75
Amortisation charge for the Year	10.81
Balance as at 31 March 2024	463.57
Net block:	
Balance as at 31 March 2023	162.10
Balance as at 31 March 2024	151.28

i) Fair market value of Building at Rs. 26,99,00,000/- have been arrived at on the basis of valuations carried out by the Company internally on the basis of market value of building as on 25th November, 2023 and the Company is of the opinion that the fair value as on 31st March, 2024 will also be the same.

ii) The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets), intangible assets and investment property as at the balance sheet date.

5. Other Intangible Assets

(Rs. in Lakhs)

Particulars	Computer software	Technical Know-how	Intellectual property	Total
Gross block:				
Balance as at 31 March 2022	3,004.87	32,533.01	2,182.26	38,027.15
Additions	777.15	2,120.64	-	2,897.79
Disposals	646.17	-	-	646.17
Balance as at 31 March 2023	3,135.85	34,653.65	2,182.26	40,278.77
Additions	454.21	2,328.43	-	2,782.64
Disposals	618.67	-	-	618.67
Balance as at 31 March 2024	2,971.39	36,982.08	2,182.26	42,442.75
Accumulated amortisation:				
Balance as at 31 March 2022	2,294.65	10,885.11	2,174.27	15,661.05
Amortisation charge for the year	522.21	513.08	-	1,035.29
Disposals	646.17	-	-	646.17
Balance as at 31 March 2023	2,170.70	11,398.18	2,174.27	16,050.17
Amortisation charge for the year	578.22	835.09	-	1,413.31
Disposals	618.67	-	-	618.67
Balance as at 31 March 2024	2,130.25	12,233.28	2,174.27	16,844.81
Net Block:				
Balance as at 31 March 2023	965.15	23,255.47	7.99	24,228.61
Balance as at 31 March 2024	841.15	24,748.80	7.99	25,597.94

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
6. Deferred tax Assets (Net):		
a) Deferred tax liability:		
i) On account of depreciation on fixed assets (other than land)	-	-
ii) On account of fair valuation of investments	-	-
Total	-	-
b) Deferred tax asset:		
i) On account of depreciation on fixed assets (other than land)	46.93	39.35
ii) On account of timing differences in recognition of expenditure	-	-
Total	46.93	39.35
Net Deferred tax (liability)/asset	46.93	39.35
7. Other non current assets:		
(unsecured and considered good)		
a) Balances with revenue authorities	184.63	184.63
b) Advance payment of tax (net)	192.18	156.68
c) Capital advances	117.25	117.25
	494.06	458.55
Less: Allowance for bad and doubtful receivables	-	-
Total	494.06	458.55
8. Inventories:		
a) Finished goods	-	4.95
Total	-	4.95
9. Trade receivables:		
a) Trade receivables exceeding six months	916.82	283.93
b) others	4,739.45	2,646.98
	5,656.27	2,930.91
Less: Allowance for doubtful receivables exceeding six months	24.90	18.03
Total	5,631.37	2,912.88

Additional information:

1) Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,734.41	717.96	86.45	43.88	48.67	5631.37
(ii) Undisputed Trade Receivables – considered doubtful	-	-	6.21	0.31	18.37	24.90
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	4,734.41	717.96	92.66	44.20	67.05	5,656.27

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
2) Breakup of above:		
a) Secured, considered good	-	-
b) Unsecured, considered good	5,631.37	2,912.88
c) Doubtful	24.90	18.03
Total	5,656.27	2,930.91
Less: Allowance for expected credit loss	24.90	18.03
Total	5,631.37	2,912.88
3) a) Debts due by directors or other officers of the company	-	-
b) Amounts due by private companies in which directors of the Company are directors	198.80	149.69
10 Cash and Cash Equivalents:		
a) Balances with banks	1,690.87	1,162.58
- in other accounts		
b) Cash on hand	1.09	1.08
Total	1,691.96	1,163.65
11 Other Financial Assets:		
a) Loans and advances	1,920.35	2,386.12
b) Others	475.94	629.80
	2,396.29	3,015.92
Less: Allowance for doubtful advances for advance paid to suppliers & others	-	-
Total	2,396.29	3,015.92
Additional information:		
1) Disclosures of Promoters, Directors, KMPs & Related parties :		
Types of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
a) Promoters	-	-
b) Directors	-	-
c) KMPs	-	-
d) Related Parties	-	-
2) Breakup of above:		
a) Secured, considered good		
b) Unsecured, considered good	2,396.29	3,015.92
c) Doubtful	-	-
Total	2,396.29	3,015.92
Less: Allowance for doubtful advances for advance paid to suppliers & others	-	-
Total	2,396.29	3,015.92
3) a) Debts due by directors or other officers of the company	-	-
b) Amounts due by private companies in which directors of the Company are directors	193.34	297.77

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Rs. in Lakhs	Nos.	Rs. in Lakhs
12 Share capital:				
Authorized:				
Equity shares of Rs. 10/- each	18,000,000	1,800.00	18,000,000	1,800.00
	18,000,000	1,800.00	18,000,000	1,800.00
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each				
At the beginning of the year	13,391,573	1,339.16	13,358,873	1,335.89
Issued during the year				
- by way of conversion of loan into fully paid up equity shares	-	-	-	-
- by way of conversion of Share Warrants into fully paid up equity shares	669,570	66.96	-	-
- by way of Employee Stock Options	52,500	5.25	32,700	3.27
At the end of the year	14,113,643	1,411.36	13,391,573	1,339.16
Total carried to Balance Sheet	-	1,411.36	-	1,339.16

a) Particulars of equity share holders holding more than 5% of the total number of equity share capital:

SI No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Number	Percentage	Number	Percentage
(i)	Shashi Soni	1,894,196	13.42%	1,559,411	11.64%
(ii)	Kiran Soni	2,057,337	14.58%	1,722,552	12.86%

b) Disclosure of Promoters Shareholding Pattern:

Shares held by promoters at the end of 31st March, 2024					
SI No.	Promoter name	As at March 31, 2024		% Change during the year 2023-24	
		No of Shares	% of total shares		
(i)	Sanjay Soni	550,661	3.90%	0.21%	
(ii)	Shashi Soni	1,894,196	13.42%	1.78%	
(iii)	Kiran Soni	2,057,337	14.58%	1.71%	
Total		4,502,194	31.90%	3.70%	

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

13. Other Equity

(Rs. in Lakhs)

Particulars	Other Equity						Other Comprehensive Income			Total Other equity
	Share premium	General Reserve	Legal Reserve	Retained earnings	ESOP Outstanding Account	Total (A)	Items that will be reclassified to profit or loss	Items that will not be reclassified to profit or loss	Total (B)	
Total comprehensive income as at March 31 2022	15,007.91	63.40	3.44	8,701.45	67.21	23,843.40	-	51.78	51.78	23,895.18
Add/(Less): Profit for the Year	-	-	-	2,001.64	-	2,001.64	-	-	-	2,001.64
Add/(Less): On account of new issue	31.36	-	-	-	(31.36)	-	-	-	-	-
Add/(Less): On account of ESOP	-	-	-	-	50.81	50.81	-	-	-	50.81
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	-	4.25	4.25	4.25
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-	-
Total comprehensive income as at March 31 2023	15,039.26	63.40	3.44	10,703.08	86.66	25,895.85	-	56.03	56.03	25,951.88
Add/(Less): Profit for the Year	-	-	-	2,605.06	-	2,605.06	-	-	-	2,605.06
Add/(Less): On account of new issue	64.39	-	-	-	(64.39)	-	-	-	-	-
Add/(Less): On account of ESOP	-	-	-	-	144.50	144.50	-	-	-	144.50
Add/(Less): Issue of shares under conversion of share warrants	522.26	-	-	-	-	522.26	-	-	-	522.26
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	-	10.18	10.18	10.18
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-	-
Total comprehensive income as at March 31 2024	15,625.92	63.40	3.44	13,308.14	166.77	29,167.67	-	66.21	66.21	29,233.89

* Ind-AS Reclassification

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non- Current Liabilities		
14 Borrowings:		
a) Secured loans:		
a. Loan from Banks/Financial Institutions	760.61	943.27
Less: Current maturities on loan from banks	358.44	439.89
	402.17	503.38
b) Unsecured loans:		
b. Loan from Banks/Financial Institutions	91.48	136.07
Less: Current maturities	52.71	44.58
	38.77	91.48
Total Borrowings (a+b)	440.95	594.86
Additional information:		
1) Details of security for secured loans:		
Vehicle Loan from bank / financial institution secured against the hypothecation of the respective vehicles purchased	60.16	57.12
Term loan/Other business loans from Financial Institution is secured against Receivables	791.93	1,022.21
2) Terms of repayment of term loans and others		
From Bank:		
i) Vehicle loan from bank/financial institution carries interest of 10.50% / 9.06% / 8.93% per annum and repayable up to 60 equal monthly instalments.		
ii) Term Loan/Other business loans carries interest rates of 3.75% / 0.75% per annum		
3) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.		
4) The company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period as at the balance sheet date.		
5) Period and amount of continuing default as on Balance sheet date		
i) In respect of Loan repayment and Interest:		
Particulars	Amt. in Rs.	Amt. in Rs.
Term Loans		
- from Banks	-	-
- from Others	-	-
Particulars	As at March 31, 2024	As at March 31, 2023
Non - Current Liabilities		
15 Provisions:		
a) For employee defined benefit plans	222.36	192.73
b) For employee compensatory absences	97.70	84.77
Total	320.06	277.50

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liabilities		
16 Trade payables:		
a) Total outstanding dues of micro and small enterprises	1.87	2.14
b) Total outstanding dues of creditors other than micro and small enterprises	442.92	209.89
Total	444.79	212.03

Additional Information:

1). Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
(i) MSME	1.87	-	-	-	1.87
(ii) Others	399.52	1.36	1.06	40.97	442.92
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	401.39	1.36	1.06	40.97	444.79

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSME Act'). Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. The disclosures as required under section 22 of MSME Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises is as below:

SI No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Principal amount due and remaining unpaid	1.87	2.14
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payments under the MSME Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	2023-24	2022-23
17 Other Financial Liabilities:		
a) Current maturities of secured loan & Unsecured from bank	411.15	484.47
b) Refundable Security deposits from Lessee	77.57	77.57
Total	488.71	562.04
18 Provisions:		
a) Provision for short term compensated absences	18.23	16.13
b) Provision for Gratuity	42.45	38.52
Total	60.68	54.64
19 Other current liabilities:		
a) Accrued Expenses and other liabilities	2,175.82	1,567.59
b) Statutory Dues	374.13	225.43
c) Deferred Income	1,181.88	1,481.93
d) Share warrant Application money payable	154.67	-
Total	3,886.50	3,274.96
20 Current Tax Liabilities (Net):		
a) Provision for tax (net of advance tax outside India)	80.76	43.22
	80.76	43.22
21 Revenue from operations:		
a) Software Sales & Services:		
Domestic	433.33	109.32
Exports	18,241.50	15,273.38
Total	18,674.83	15,382.69
22 Other income:		
a) Interest Income	16.87	19.55
b) Miscellaneous Income	206.74	106.42
c) Support Service Income	6.00	6.00
d) Rental Income	49.58	49.58
e) Exchange fluctuation gain	55.09	170.48
Total	334.28	353.18
23 Cost of Purchase:		
a) Cost of Purchase for Resale	405.88	63.39
b) Custom Duty	-	-
Total	405.88	63.39
24 Changes in inventories of stock in trade:		
Stocks at the end of the year		
a) Trading goods		
Stock in Trade	4.95	4.95
Total	4.95	4.95
Less: Stocks at the beginning of the year		
a) Trading goods		
Stock in Trade	-	4.95
Total	-	4.95
Total	4.95	-

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	2023-24	2022-23
25 Employee benefit expenses:		
a) Salaries , wages and bonus	8,080.17	6,833.47
b) Contribution to provident and other funds	142.20	79.83
c) Employee stock option expenses	144.50	50.81
d) Staff welfare expenses	47.92	35.01
e) Reclassification of Actuarial gains/ losses	10.18	4.25
Total	8,424.96	7,003.38
26 Finance costs:		
a) Interest expense	97.04	34.21
b) Other borrowing costs	-	-
Total	97.04	34.21
27 Depreciation and amortization:		
a) Depreciation	130.36	127.22
b) Amortization of intangible assets	1,413.31	1,035.29
Total	1,543.67	1,162.52
28 Other expenses:		
a) Advertisement Expenses	187.72	155.68
b) Payment to auditors		
- as auditor	4.30	3.00
- for taxation matters	1.00	1.00
c) Bank Charges	73.08	93.07
d) Bad Debts Written-Off	14.22	8.05
e) Business Promotion Charges	147.81	154.78
f) Commission on Sales	23.39	12.61
g) Consultancy Charges	2,759.31	2,797.79
h) Directors sitting fees	16.20	12.20
i) Insurance	88.70	88.49
j) Listing Fees	5.85	6.26
k) Membership & Subscription	0.46	0.30
l) Miscellaneous Expenses	60.97	28.41
m) Office Expenses	47.43	49.68
n) Postage and Communication expenses	383.47	192.69
o) Power & Fuel	47.17	38.46
p) Printing & Stationery	2.67	3.16
q) Professional Fees	635.17	522.44
r) Rates & Taxes	62.86	75.99
s) Rent	548.64	572.46
t) Repairs & Maintenance	153.31	146.95
u) Security Charges	13.39	12.27
v) Travelling & Conveyance	541.52	393.60
w) Vehicle Maintenance	30.86	32.51
Total	5,849.51	5,401.87

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(Rs. in Lakhs)

Particulars	2023-24	2022-23
29 Exceptional Items	-	-
30 Additional Information:		
(a) Value of Imports calculated on CIF basis:		
i) Purchases of Stock in Trade	-	-
ii) Capital goods	-	-
(b) Expenditure in foreign currency: (net of withholding tax)		
i) Purchases	-	-
ii) Foreign travel	35.39	21.73
(c) Details of non-resident shareholdings		
i) Number of nonresident share holders	226	203
ii) Number of shares held by nonresident shareholders	479,852	406,138
iii) Amount remitted during the year in foreign currency on account of dividends	-	-
(d) Earnings in foreign exchange:		
i) Software Exports & Consultancy	18,241.50	15,273.38
31 Earnings per share:		
(Basic and diluted)		
Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":		
(a) Before exceptional item		
Profit for the year after tax expense	2,605.06	2,001.64
Weighted average number of equity shares	13,496,907	13,379,747
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	19.30	14.96
(b) After exceptional item		
Profit for the year after tax expense	2,605.06	2,001.64
Add: Preference dividend payable including dividend tax	-	-
Total	2,605.06	2,001.64
Weighted average number of equity shares	13,496,907	13,379,747
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	19.30	14.96
(*) Effect of potential equity shares is antidilutive		

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

32 DISCLOSURES AS PER IND AS 19 "EMPLOYEE BENEFITS":

(a) Defined Contribution Plan:

Contribution to defined contribution plan are recognized as expense for the year are as under:

(Rs.in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Employer's contribution to provident & pension funds	87.21	79.83

(b) Defined Benefit Plan:

The employees' gratuity fund scheme managed by a trust and leave encashment is a defined benefit plan. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

(Rs. in lakhs)

1) Reconciliation of opening and closing balances of defined benefit obligation:	March 31, 2024		March 31, 2023	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation at beginning of the year	231.26	100.89	213.71	102.24
Current Service Cost (*)	28.98	-	30.81	-
Interest Cost	15.83	5.89	14.32	5.47
Actuarial (gain)/ loss	10.18	46.54	4.25	45.40
Benefits Paid	(21.43)	(37.39)	(31.84)	(52.23)
Defined Benefit obligation at end of the year	264.81	115.93	231.26	100.89
2) Reconciliation of opening and closing balance of fair value of plan assets:				
Fair value of plan assets at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Employer Contribution	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Fair value of plan assets at year end	-	-	-	-
Reconciliation of fair value of assets and obligations:				
Fair value of plan assets	-	-	-	-
Present value of obligation	264.81	115.93	231.26	100.89
Amount recognized in Balance Sheet under liabilities:	264.81	115.93	231.26	100.89
Expense recognized during the year: (under "Note 25" "Employee Benefit Expenses" in the Statement of Profit and Loss)	March 31, 2024		March 31, 2023	
In Income Statement:				
Current Service Cost	28.98	-	30.81	-
Interest Cost	15.83	5.89	14.32	5.47
Expected return on plan assets	-	-	-	-
In Other Comprehensive Income:				
Actuarial (gain)/ loss	10.18	46.54	4.25	45.40
Net Cost	54.99	52.43	49.38	50.88

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

Actuarial assumptions:	March 31, 2024		March 31, 2023	
	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)	Indian Assured Lives (2006-08) (Ultimate)
Mortality Table				
Discount rate (per annum)	6.97%	6.97%	7.18%	7.17%
Expected rate of return on plan assets (per annum)	5.00%	5.00%	5.00%	5.00%

(*) Leave provision for current year includes provision for short term compensated absence as assessed by the actuary.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

(c) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, has been determined based on possible effect of changes of an assumption occurring at end of the reporting period, while holding all other assumptions constant.

(Rs. in lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 1%)	273.88	256.30	239.21	223.77
Change in rate of salary increase (delta effect of +/-1%)	257.55	272.34	224.48	238.06
Change in rate of Mortality (delta effect of +/- 0.5%)	264.75	264.87	231.19	231.30
Change in rate of Attrition (delta effect of +/- 0.5%)	263.85	265.72	230.33	232.12

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

33 RELATED PARTY TRANSACTIONS:

(a) Name of related parties and description of relationship where controls exists:

Sl. No.	Name of the Related Party	Relationship
1	Mrs. Shashi Soni Mr. Sanjay Soni Mrs. Kiran Soni Ms. Sonal Jaju Mr. Danish Reza	Key Management Personnel and their relatives ("KMP")
2	Aries Gases Private Limited Deep Heritage Deep Oxygen Private Limited,India Deep Investment Advisory Bangalore Private Limited KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India) Hughes Precision Manufacturing Pvt Ltd	Enterprises over which key management personnel and their relatives are able to exercise significant influence

(b) Transactions with the related parties

(Rs. in Lakhs)

	Particulars	Relationship	Current Year	Previous Year
1	Purchase of goods and services/reimbursements/Other receipts			
	KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India)	Enterprises over which KMP and their relatives are able to exercise significant influence	30.14	27.09
	Hughes Precision Manufacturing Pvt Ltd		15.57	11.61
2	Rental Income:			
	KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited,India)	Enterprises over which KMP and their relatives are able to exercise significant influence	35.76	35.76
	Hughes Precision Manufacturing Pvt Ltd		13.81	13.81
3	Remuneration paid:			
	Mrs. Shashi Soni	KMP	21.00	19.50
	Mr. Sanjay Soni	KMP	95.83	95.83
	Mrs. Kiran Soni	KMP	33.00	30.00
	Mr. Danish Reza	KMP	0.88	10.35
	Ms. Sonal Jaju	KMP	9.10	-

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

(c) Outstanding balances at the end of the year:

(Rs. in Lakhs)

Particulars	Relationship	As at March 31, 2024	As at March 31, 2023
KYLIX NANOMETER MANUFACTURING PRIVATE LIMITED (Formerly Si2 Microsystems Private Limited, India)	Enterprises over which key management personnel and their relatives are able to exercise significant influence	151.23	443.93
Hughes Precision Manufacturing Pvt Ltd		0.59	0.65
Hughes Precision Manufacturing Pvt Ltd (Payable)		-	-

34 OPERATING LEASE (Ind AS 17):

The Company has various operating leases for office facilities which is renewable on a periodic basis, and cancelable at its option. Rental expenses for operating leases included in the financial statements for the year are Rs.548.64 lakhs (Previous Year Rs. 572.46 lakhs).

35 Financial risk management objectives and policies:

The entity's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the entity's operations to support its operations. The entity's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents that are derived directly from its operations.

The entity is exposed to market risk/credit and liquidity risks. The entity's senior management oversee the management of these risks. The board reviews their activities. No significant derivative activities have been undertaken so far.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2024 and March 31, 2023 :

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumption has been made in calculating sensitivity analysis.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023 including the effect of hedge accounting.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the some of the vendor payments and customer receivables.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from its operating (primarily trade receivables) and investing activities including deposits placed with banks, financial institutions and other corporate deposits. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. Financial assets are classified into performing, under-performing and non performing. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

36 Fair Value Measurement (Ind AS 113):

The Financial Instruments of the Company are initially recorded at fair value and subsequently measured at amortized cost based on the nature and timing of the cash flows.

The below table summarises particulars of Financial Instruments used:

Particulars	March 31, 2024	March 31, 2023
Financial Assets at amortized cost:		
Investments	-	-
Trade Receivables	5,631.37	2,912.88
Other Financial Assets	2,396.29	3,015.92
Cash & cash equivalents	1,691.96	1,163.65
Total Financial Assets	9,719.62	7,092.45
Financial Liabilities at amortized cost:		
Borrowings	440.95	594.86
Other Financial Liabilities	488.71	562.04
Trade Payables	444.79	212.03
Total Financial Liabilities	1,374.45	1,368.93

The Company has not classified any Financial Asset or Liabilities as measured at Fair value through Profit and Loss (FVTPL) or measured at Fair Value through Other Comprehensive Income (FVTOCI).

The Fair Value of the above financial assets and liabilities are measured at amortized cost which is considered to be approximate to their fair values.

37 Employee Stock-Option Scheme:

The Company has issued ESOP scheme under which Stock Options (ESOP), have been granted to employees. The scheme provides for equity / cash settled grants to employees whereby the employees can purchase equity shares by exercising options as vested at the exercise price specified in the grant. The options granted till March 31, 2023 have a vesting period of maximum 3 years from the date of grant.

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

SI No	Particulars	March 31, 2024	March 31, 2023
i)	Employee Stock Options Expenses	144.50	50.81
	Total	144.50	50.81

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

38 Managerial Remuneration

SI No	Particulars	March 31, 2024	March 31, 2023
i)	Salary and allowances	128.18	126.68
ii)	Contribution to Provident fund	0.65	0.65
	Total	128.83	127.33

The above amounts do not include Gratuity and Leave encashment benefits as the provisions for these are determined for the Company as a whole and therefore separate amounts for the Directors are not available. Also the above remuneration is excludes certain perquisites and allowances which are directly borne by Company.

Directors remuneration for the current year is sum of Rs.95.83 Lakhs paid to the managing director in accordance with the limits approved by the shareholders at the AGM held on 26th September 2022.

39 Commitments

(Rs.in Lakhs)

SI No	Particulars	March 31, 2024	March 31, 2023
i)	Warranty Costs on Software Sale	Not Quantified	Not Quantified
ii)	On account of Capital expenditure		
	a) Software under development	-	-
	b) Acquisition of immovable properties	200	200

40 Contingent Liabilities (to the extent of which not provided for)

(Rs.in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Money for which the company is contingently liable:		
Bank Guarantee*	1.72	1.72

*Bank Guarantee issued to Canara Bank, Customer as per terms of contract.

Contingent Liabilities with respect to Income tax & Transfer Pricing demands in dispute (to the extent of which not provided for)

Name of the statute	Nature of dues	Demand disputed (Rs.in Lakhs)	Amount Paid Under Protest (Rs.in Lakhs)	AY	Forum where dispute is pending
Income-tax Act, 1961	Transfer pricing	NIL	-	2005-06	AO to give effect to the ITAT order
Income-tax Act, 1961	Transfer pricing	127.40	-	2009-10	Rectification filed with the AO; Appeal filed with the HC
Income-tax Act, 1961	Transfer pricing	367.51	70.00	2010-11	Karnataka High Court
Income-tax Act, 1961	Transfer pricing	309.10	-	2011-12	Karnataka High Court
Income-tax Act, 1961	Income-tax and Transfer pricing	228.85	-	2012-13	CIT(A)
Income-tax Act, 1961	Income-tax	84.24	-	2013-14	AO to give effect to CIT (A) order
Income-tax Act, 1961	Income-tax and Transfer pricing	510.34	102.07	2014-15	CIT(A)
Income-tax Act, 1961	Income-tax	147.05	-	2017-18	CIT(A)

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

41 Segment Reporting

Primary Segments

Based on the guiding principles in Indian Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India, classification by geographic segment are the primary reportable segments, comprising of:

- i) Export
- ii) Domestic

(Amount in Lakhs.)

Particulars	March 31, 2024	March 31, 2023
Revenue:		
Export *	18241.50	15273.38
Domestic *	433.33	109.32
Net Income from Operations	18,674.83	15,382.69
Add: Income from Exceptional Items/Other Income	334.28	550.23
Profit before Depreciation/Tax/Interest/Amortization :		
-from Exports	3,847.63	3,048.27
-from Domestic*	(101.68)	(36.88)
Income from Exceptional Items/Other Income	334.28	353.18
Total	4080.23	3,364.56
Less: (1) Interest	170.12	127.28
(2) Depreciation/Amortization	1,543.67	1,162.52
Profit Before Taxation	2366.43	2,074.77

Segmental Capital Employed:

Assets and Liabilities contracted have not been identified to any of the reportable segments, as the assets are used interchangeably between segments and it is not practicable to reasonably allocate the liabilities to individual segments. Accordingly no disclosure relating to segments assets and liabilities are made.

- 42** The Company has filed an appeal before the Honourable High Court Of Karnataka against order of the ITAT for the AY 2010-11 & AY 2011-12 and the said appeals are pending for disposal as on Balance sheet date.
- 43** The inter company (between holding and subsidiaries and intra-subsiary) balances as at 31.03.2024 are subject to reconciliation.
- 44** a) Balances of Sundry Debtors, Loans & Advances are subject to reconciliation and confirmation.
 b) Sundry Debtors includes a sum of Rs. 2.84 Crores of overseas receivables outstanding for over 180 days as at the Balance Sheet date. These overseas receivables are certainly collectible, since we have continuing business relationship based on service agreement entered into. This is getting recovered subsequently during FY 2024-25.
 c) Sundry Debtors more than 180 days is computed from the date it is due for payment.
- 45** The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 46** The proceedings haven't been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at the balance sheet date.

Notes to Consolidated Financial Statements

For the Year ended March 31, 2024

- 47** a) The company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) nor received with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/Funding party (Ultimate Beneficiaries).
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- b) The company has not received any funds 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;
- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 48** The Company doesn't have any transaction 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), unless there is immunity for disclosure under any scheme as at the balance sheet date.
- 49** The Company has used 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 for all relevant transactions recorded in the accounting software and payroll software, except that audit trail feature is not enabled for certain changes made using privileged/ administrative access rights to the accounting and payroll application and the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software and payroll software.
- 50** The Company hasn't traded or invested in Crypto currency or Virtual Currency during the financial year.
- 51** All figures have been rounded-off to the nearest Rupees in lakhs. Previous Year's figures have been re-grouped/ reclassified wherever necessary to conform to the current year presentation.

for and on behalf of the Board

As per my Report of even date

Sanjay Soni

Managing Director

DIN: 00609097

Place: Bangalore

Date: 30th May, 2024

Shashi Soni

Chairperson

DIN: 00609217

Kiran Soni

Chief Financial Officer

Sonal Jaju

Company Secretary

Ramaswamy Vijayanand

Chartered Accountant

Membership No. 202118

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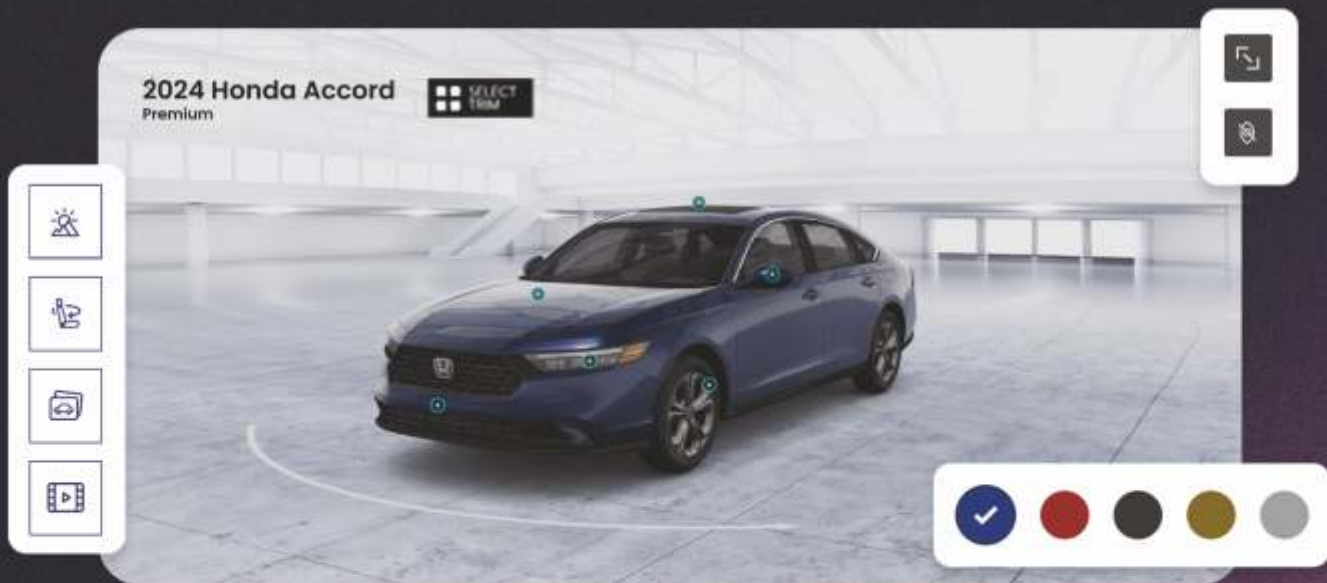
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