

September 03rd, 2020

The Manager Corporate Relationship Department Bombay Stock Exchange 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/Ma'am,

Subject: Submission of Notice of the 25th Annual General Meeting of Izmo Limited alongwith Annual Report for the Financial Year ended March 31, 2020.

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 **25th Annual General Meeting of Izmo Limited** alongwith Annual Report of the Company for Financial Year ended March 31, 2020.

Kindly note the following details:

- 1. Annual General Meeting:** 25th Annual General Meeting (AGM) will be held on Monday, 28th September, 2020 at 12:30 PM through Video Conferencing ("VC") Or Other Audio Visual Means ("OAVM").
- 2. Book Closure:** Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 22nd, 2020 to Monday, September 28th, 2020 (both days inclusive) for the purpose of AGM.
- 3. E-Voting:** Start of remote e-voting: From Friday, September 25th, 2020 (9:00A.M. IST). End of remote e-voting: Sunday, September 27th, 2020 (5:00 P.M. IST).
- 4. E-Voting Cut-off date:** Monday, September 21st, 2020.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2020 is being sent only through e-mails to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company under the web-link <http://bit.ly/izmoltd-19-20>.

Kindly take this information on record.

Yours faithfully,
For IZMO Limited

Danish Reza
Company Secretary and Compliance Officer
Enc: As Above



izmo

DRIVING **CHANGE**



25th
ANNUAL REPORT
2019-20

GLOBAL AUTOMOTIVE MARKETING / DATA ANALYTICS / VIRTUAL REALITY AND CGI

RANKED
70th

THE ECONOMIC TIMES

INDIA'S
GROWTH
CHAMPIONS

2020

statista

FINANCIAL
TIMES

HIGH-GROWTH
COMPANIES

Asia-Pacific

2020

Ranked 322nd

The Financial Times "High Growth Companies Asia Pacific 2020"

The Financial Times, a respected London based international newspaper, ranked izmo Ltd. 322nd in the "High Growth Companies Asia Pacific 2020" ranking.

This ranking was awarded after assessing company performance over a three year period by compound annual growth rate (CAGR).

WINNING NEW ACCOLADES

izmo Ltd. is the recipient of prestigious recognition from two globally acclaimed business publications.

Economic Times "India Growth Champions 2020"

The Economic Times ranked izmo Ltd. 70th in the "India Growth Champions 2020" ranking.

The ranking identified the fastest growing companies among all Indian industries over a three-year period.



Corporate Information

Board of Directors

Mrs. Shashi Soni

Chairperson

Mr. Sanjay Soni

Managing Director

Mr. Perur Phaneendra

Director

Mr. Vijay Gupta

Director

Mr. Ramanujam Krishnamurthy

Director

Auditor

Guru Prakash V

#297, 1st Floor, 35th Cross,
7th 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
Fax : 91-80-67125408
Email : info@izmold.com

Websites

www.izmold.com
www.izmocars.com
www.izmocars.fr
www.izmoitalia.it
www.izmofx.com

India

Sales & Marketing Offices

Delhi

izmo Limited
13-D, 13th Floor,
Hansalaya Building,
15 Barakhamba Road,
New Delhi - 110001
Tel : 91-11-45675529

USA

Corporate Headquarters

San Fransisco
251 Post St. Suite 302
San Francisco, CA 94108

Photography Studio, Long Beach

3940 E. Gillman Street
Long Beach, CA 90815
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
Tel : 032 (2) 751 0359

France

69-71 Avenue Pierre grenier
92100 Boulogne-Billancourt
Tel : +33 (1) 85 39 07 93

Core Management Team

U.S.A

Mr. Tej Soni

President of izmocars

Mr. Chris Daniels

Head - Studio Operations

France

Mr. David Descottes

Deputy CEO

India

Mr. Sarbashish Bhattacharjee

Chief Technology Officer

Mrs. Kiran Soni

Chief Financial Officer

Mr. Danish Reza

Company Secretary &
Compliance Officer

Mr. Gopi SD

Associate Director - Finance &
Accounts

Mr. Akula Satya Kiran

Head - Web Division

Mr. Dipankar Kacharia

Head - AOA Division

www.izmostudio.eu
www.izmostock.com
www.autobycall.com
www.izmovo.fr

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 25TH (TWENTY FIFTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF IZMO LIMITED (THE "COMPANY") WILL BE HELD ON **MONDAY, 28TH DAY OF SEPTEMBER, 2020 AT 12.30 PM** THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

Item No. 1: Adoption of Accounts:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Auditors' Report thereon and the Report of the Directors' along with the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and the 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 for the Financial Year ended March 31st 2020, together with the Auditors' and Board's Report 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: Re-appointment of director who retires by rotation:

To re-appoint Mr. Sanjay Soni (DIN 00609097), who retires by rotation, and being eligible, offers himself 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, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sanjay Soni 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 or expedient to give effect to the foregoing resolution(s), including delegation of powers herein, to any of the Directors and/or officers of the Company."

SPECIAL BUSINESS:

Item No.3: Appointment of Mrs. Kiran Soni as Whole Time Director of the Company:

Members are requested to consider and pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V of Companies Act, 2013 ("the Act") and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 along with other applicable provisions, if any, of the Companies Act 2013, as amended from time to time, the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), also read with the Articles of Association of the Company, the recommendations and / or approvals of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company (the "Board") and subject to such other approval(s), permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities, in granting such approvals, permission and sanctions, consent of the Members of the Company be and is hereby accorded for the appointment of Mrs. Kiran Soni (DIN- 08836616) as Whole Time Director of the Company for a period of three years with effect from 29th September, 2020 to 28th September, 2023 on such remuneration as set out below:

NOTICE

1. Mrs. Kiran Soni - Whole Time Director with effect from 29th September, 2020 for a period of 3 years.
2. Salary of Rs. 2, 50,000/- (Rupees Two Lakhs Fifty Thousand only) per month.
3. Commission not more than 1% of the net profits of the Company.
4. Unless the context otherwise requires, the perquisites are classified into three categories "A", "B" and "C" as follows:

Category "A":

The expenditure incurred by the Company on providing furnished residential accommodation for the Appointee shall be subject to a ceiling of 50% (Fifty percent) of the Appointee's salary over and above 10% payable by the Appointee salary.

Alternatively:

In case, the Company provides the accommodation, the Company shall deduct 10% of the salary of the Appointee.

Alternatively:

In case, no accommodation is provided by the Company, the Appointee shall be entitled to House Rent Allowance, subject to a ceiling of 50% (Fifty percent) of salary payable to the Appointee.

Explanation:

- I. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income Tax Rules, 1962, as amended from time to time. However, such expenditure shall be subject to a ceiling of 10% (Ten percent) of the Appointee's annual salary each year.
- II. Medical Reimbursement: Expenses incurred for the Appointee and her family, subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- III. Leave Travel Concession: For Appointee and her family once in a year, while on leave, in accordance with the rules and regulations applicable to senior managers of the Company from time to time.
- IV. Personal Accident Insurance: Premium not to exceed Rs. 4,000/- (Rupees Four Thousand only) per annum.

Explanation:

For the purpose of category "A", Family means: Spouse, dependent children and dependent parents of the Appointee.

Category "B":

- I. Contribution to Provident Fund, Superannuation Fund and Annuity Fund: These will be in accordance with the schemes applicable to senior managers of the Company from time to time and will not be included in the computation of ceiling on perquisites mentioned above to the extent they either singly or put together are not taxable under the Income Tax Act, 1961, as amended from time to time.
- II. Gratuity: In accordance with the rules and regulations applicable to senior managers of the Company from time to time but not exceeding half month's salary for each completed year of service.
- III. Encashment of Leave at the end of the tenure: In accordance with the rules and regulations applicable to the senior manager of the Company from time to time, the monetary equivalent of such encashment leave shall not be included in the computation of the ceiling on perquisites.

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Category “C”:

Provision of car for the use of Company’s business and telephone at residence shall not be considered as perquisites. Personal long distance calls and use of car for personal use shall be billed to the Appointee.

MINIMUM REMUNERATION:

In the event of absence or inadequacy of profits in any Financial Year during the tenure of her appointment, the Whole Time Director may be paid the substantive remuneration as stated above as the Minimum Remuneration subject to however that unless approved by the Shareholders and the Central Government, as may be necessary, the amount of salary, commission, perquisites and other allowances payable to the Whole Time Director shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013, as may be in force for the time being.

Further, in the event of any Statutory Amendments or modifications or relaxation by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc., with such prescribed limit or ceiling and any arrangement between the Company and Mrs. Kiran Soni be suitably amended to give effect to such modification, relaxation or variation with or without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT either party can give three months notice in the event of termination of the said post/arrangement.

RESOLVED FURTHER THAT in the event of Mrs. Kiran Soni ceasing to be the Whole time Director due to any causes whatsoever, she shall not be eligible for any compensation for loss of office.

RESOLVED FURTHER THAT the Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committees thereof.

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 or expedient to give effect to the foregoing resolution(s), including delegation of powers herein, to any of the Directors and/or officers of the Company.”

Place: Bengaluru
Date: 19.08.2020

By order of the Board
For Izmo Limited
sd/-
Sanjay Soni
Managing Director
DIN: 00609097

NOTICE

NOTES

1. In view of massive outbreak of COVID- 19 Pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8th, 2020, April 13th, 2020 and May 5th, 2020 respectively (hereinafter, collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12th, 2020, has allowed companies to conduct their annual general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, the **25th Annual General Meeting (the "AGM" or the "Meeting") of Izmo Limited (the "Company")** will be held through VC or OAVM in compliance with the said 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"). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. In terms of the MCA Circulars and SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12th, 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 and attendance slip are not annexed to this notice convening the 25th AGM of the company (the "notice").

However, in pursuance of 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 e-mail at syed1948@gmail.com with a copy marked to evoting@nsdl.co.in.

3. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.
4. 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 1st, 2019, except in case of request received for transmission or transposition of securities. 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, M/s Cameo Corporate Services Limited for assistance in this regard.
5. Members are requested to notify any change in their addresses specifying full address in block letters with PIN code to the Company's Registrar and Share Transfer Agents at the following address: Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Anna Salai, Chennai, Tamil Nadu - 600002.
6. In terms of the provisions of the Companies Act, 2013 and Rules made there under and Articles of Association of the Company, Mr. Sanjay Soni retires by rotation and being eligible offers himself for reappointment. A brief resume of Mr. Sanjay Soni along with the nature of his expertise are given herewith and forms part of the notice convening the Annual General Meeting.
7. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed there under, in respect of the Special Business under Item No. 3 is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also appended to the Notice.
8. In Compliance with aforesaid Circulars issued by Ministry of Corporate Affairs and SEBI Circular dated May 12th, 2020, the Notice along with the Annual Report of the Company for the financial year ended March 31st, 2020, 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 M/s Cameo Corporate Services Limited. Members may also note that the Notice and Annual

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Report for 2019-20 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., National Securities Depository Limited (NSDL), viz., www.evoting.nsdl.com.

9. PROCEDURE FOR ATTENDING THE AGM THROUGH VC OR OAVM

Members will be able to attend the AGM through VC or OAVM or view the live webcast of the AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the EVEN for the AGM. Further details in this regard are annexed separately and form part of this Notice.

10. 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, the Company has engaged the services of NSDL 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.

The instructions to cast votes through remote e-Voting and through e-Voting system during the AGM are annexed separately and form part of this Notice.

ii. The remote e-voting period will commence on **Friday, September 25th, 2020 (9:00A.M. IST)** and will end on **Sunday, September 27th, 2020 (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., **Monday, September 21st, 2020**, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL 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 Monday, September 21st, 2020 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: 4121 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 NSDL (www.evoting.nsdl.com) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the 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 narasimhan@cameoindia.com:

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- 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.

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.

11. 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) Wednesday September 23rd, 2020**, 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 to registered themselves as speaker may do so by sending their requests from **Thursday, September 17th, 2020 (9:00 A.M. IST) to Wednesday, September 23rd, 2020 (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.
12. Members wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Transfer Agents as mentioned above or to the Company Secretary, at the Company's registered office. Pursuant to the provisions of the Companies Act, 2013 and other relevant Rules, the Company has accordingly transferred dividend remaining unpaid for seven years (7) to Investors Education and Protection Fund (IEPF).
 13. The Company's Register of Members and Share Transfer Book shall remain closed, from **Tuesday, September 22nd, 2020 to Monday, September 28th, 2020** (both days inclusive) for the purpose of AGM.
 14. 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 1st, 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 27th, 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 1st, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after April 1st, 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 1st, 2019 and returned to the investors due to deficiency in the documents may be re- submitted for transfer even after April 1st, 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 6th, 2018.
 15. All documents referred to in the Notice and the Explanatory Statement shall be made available for inspection by the Members of the Company, without payment of fees upto 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.

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16. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on **Friday, September 25th, 2020 (9:00A.M. IST)** and ends on **Sunday, September 27th, 2020 (5:00 P.M. IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at [https:// eservices. nsdl.com/](https://eservices.nsdl.com/) with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to

Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<i>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</i>	<i>Your User ID is:</i>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

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c) How to retrieve your 'initial password'.

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a PDF file. Open the PDF file. The password to open the PDF file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The PDF file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

NOTICE

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **syed1948@gmail.com** with a copy marked to **evoting@nsdl.co.in**
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password”** or **“Physical User Reset Password”** option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

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:

1. 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 email id).

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 email id).

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only –those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.

NOTICE

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (company email id)..
6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ANNEXURE TO THE NOTICE

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

Item No. 3: Appointment of Mrs. Kiran Soni as Whole Time Director of the Company

Mrs. Kiran Soni joined your company in the year 1995 and has been actively involved with the affairs of the Company from the beginning. She has joined as Corporate Analyst and redesignated as Chief Financial Officer of the Company (“CFO”) and Key Managerial Personnel (“KMP”) in the year 2014. She was instrumental in the significant growth of the Company and has good amount of experience in the line of the business.

In compliance with the provisions of the Companies Act, 2013 (as amended) (the “Act”) and the Rules framed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the “Listing Regulations”), Articles of Association and Nomination and Remuneration Policy of the Company, the Board of Directors of the Company (the “Board”), based on the recommendation of Nomination and Remuneration Committee (NRC) and approval of Audit Committee at their respective meetings held on August 19th, 2020, has appointed Mrs. Kiran Soni as Additional Director and proposed her to be appointed as Whole-time Director of the Company, liable to retire by rotation, for a further period of 3 (three) consecutive years commencing from September 29th, 2020 upto September 28th, 2023 or till the date of expiry of the tenure of her service with the Company, whichever is earlier subject to the approval of the members of the Company with such terms and conditions as mentioned in the aforesaid resolution.

Mrs. Kiran Soni is the Chief Financial Officer (“CFO”) and Key Managerial Person (“KMP”) of Izmo Limited. She is a graduate from Sydenham College, Mumbai and a Qualified Chartered Accountant (CA) from “Institute of Chartered Accountant of India” (ICAI) with over 25 years of experience in different position in Izmo Limited.

This may be deemed to be an abstract under Section 190 of the Companies Act, 2013 of the terms and conditions of appointment of Mrs. Kiran Soni as Whole time Director.

Disclosures under Secretarial Standard-2 are annexed to this Notice.

Your Board recommends passing of resolution specified under Item No. 3 as Special Resolution.

In terms of the provisions of the Act, Mrs. Kiran Soni has filed requisite consent(s) and disclosures before the Board. The Company

NOTICE

has also received intimation from Mrs. Soni in Form DIR - 8 to the effect that she is not disqualified and further confirming that she is not debarred by virtue of any order passed by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any Court or any such other Statutory Authority, to appoint her as a Director in any company.

The Company has entered into an Agreement with Mrs. Soni containing the terms and conditions of her appointment including remuneration, authority, rights and obligations during her tenure as a Whole-time Director of the Company. The proposed resolution as contained in the Notice provides that the Board will have a liberty to vary the terms and conditions of the appointment and remuneration of Mrs. Soni as mentioned herein or under the Agreement entered, from time to time, as it may deem fit and necessary and as may be agreed to by and between Mrs. Soni and the Board.

The Board, on the recommendation of the NRC and approval of the Audit Committee, approved remuneration of Rs. 2, 50,000/- per month for Mrs. Soni, subject to approval of the Members.

The aforesaid remuneration of Mrs. Soni falls within the maximum ceiling limits as specified under Section 197 and other applicable provisions of the Act and Rules framed there under read with Schedule V to the Act.

Mr. Sanjay Soni and Mrs. Shashi Soni are deemed to be interested in the transaction mentioned under Item No. 3, Apart from Mr. Sanjay Soni and Mrs. Shashi Soni none of the following persons are directly or indirectly interested or concerned, financially or otherwise, in the resolutions as set out under Item No. 3.

Considering the contributions made by Mrs. Soni during her current tenure, her long association with the Company, her experience, expertise, background and understanding of the Company's business, the Board is of the opinion that the continued association of Mrs. Soni would be beneficial in the interests of the Company and it is considered desirable to continue to avail her services as a Whole-time Director of the Company, designated as Whole-time Director and Chief Financial Officer (Key Managerial Person). Accordingly, in terms of Sections 2(94), 196, 197, 198 and 203 read with Schedule V to the Act, the appointment of Mrs. Soni as a Whole-time Director of the Company, designated as stated above, is now being proposed before the Members of the Company for their approval.

The Board recommends the Resolution No. 3 as Special Resolution for approval by the Members of the Company.

NOTICE

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	Mr. Sanjay Soni	Mrs. Kiran Soni
Age	52 Years	52 Years
Qualifications	Graduate in Commerce and has undertaken extensive studies in IT related field for the last over one decade. He has undergone Post Graduate Program from the Indian Institute of Management (IIM-B), Bengaluru.	Graduate and a Qualified Chartered Accountant.
Experience and brief resume of the director and nature of his expertise in specific functional areas	Mr. Sanjay soni has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time. He is being promoter and managing director has been involved in the Management and headed the company since its incorporation. He has wide exposure to International Finance and banking and has authored books on related fields.	Mrs. Kiran Soni has about 25 years of business experience in Izmo Limited e. She has joined Izmo in the year 1995.
Terms and conditions of Appointment / re-appointment and details of remuneration sought to be paid	As per resolution 2 Appointed as Managing Director (Key Managerial Person) liable to retire by rotation, w.e.f April 1st, 1999. He retires by rotation and being eligible, offers himself for re-appointment.	As per resolution 3 Appointed as Whole Time Director and Chief Financial Officer (Key Managerial Person), liable to retire by rotation w.e.f September 28th, 2020 for a consecutive period of 3 (three) years commencing from September 28th, 2020 upto September 27th 2023 or till the date of expiry of the tenure of his service with the Company, whichever is earlier, on the terms and conditions contained in the Explanatory Statement above.
Remuneration last drawn	Rs. 6,00,000 Per Month	Rs. 2,50,000 Per Month
Date of first appointment on the Board	01.04.1999	19.08.2020
Shareholding in the company (As on 31.03.2020)	2771613	373224
Relationship with other Directors, Manager and other Key Managerial Personnel of the company.	Mr. Sanjay Soni (MD) is son of Mrs. Shashi Soni (WTD) and Spouse of Mrs. Kiran Soni (CFO) and Additional Director.	Mrs. Kiran Soni (the Additional Director) and Chief Financial Officer is spouse of Mr. Sanjay Soni (MD) and Daughter in Law of Mrs. Shashi Soni (WTD).
The number of Meetings of the Board attended during the year	No. of Board Meetings held: 4 Attended: 4	No. of Board Meetings held: 4 Attended: 4
Directorships, Membership/ Chairmanship of Committees of other Boards.	Directorship in: 1. D'gipro Design Automation And Marketing Private Limited 2. Si2 Microsystems Private Limited 3. Hughes Precision Manufacturing Private Limited	None

NOTICE

Following are details of Mr. Sanjay Soni Directorship(s) and/or Committee Membership(s):

Directorship(s) in Listed Companies			
1.	Izmo Limited		
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.	Izmo Limited	NA	NA

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

Directorship(s) in Listed Companies			
1.	Izmo Limited		
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.	Izmo Limited	NA	NA

Place: Bengaluru
Date: 19.08.2020

By order of the Board
For IZMO Limited
sd/-
Sanjay Soni
Managing Director
DIN: 00609097

Dear Members,

Your Directors are pleased to present the 25th Annual Report together with Audited Financial Statements for the Financial Year ended March 31, 2020.

Consolidated financial statements of accounts for the year ended 31st March, 2020.

Rs. in lakhs

Particulars	2019-20	2018-19
Revenue from Operations	10,121.05	9,216.52
Other Income	847.27	395.04
Total Revenue	10,968.32	9,611.56
Direct cost of operations	42.71	72.26
(Increase)/Decrease in Stocks/WIP	0.14	(4.57)
Employee Benefit Expenses	4,418.79	3,815.94
Financial Expenses	103.96	137.99
Depreciation	1,561.51	1,516.95
Other Expenses	3,648.02	3,333.00
Total Expenses	9,775.13	8,871.57
Profit/ (Loss) before Tax & Exceptional Item	1,193.19	739.99
Exceptional or Extraordinary Items	--	--
Profit/ (Loss) before Tax	1,193.19	739.99
Provision for Taxation	(24.30)	(36.64)
MAT Tax Credit	--	34.91
Deferred Tax	(53.69)	(61.86)
Profit / (Loss) after Tax	1,115.20	676.40
Other Comprehensive Income	6.91	15.58
Total Comprehensive Income for the year	1,122.10	691.98

Performance on a Consolidated Basis

The Company's performance on a consolidated basis has shown a significant improvement over the previous year. The revenues have increased by 14%, whereas profits have increased by approximately 162%. The Company has achieved higher sales despite the Coronavirus impacting revenues in the month of March 2020. The profit has shown a significant increase due to the recovery of more than Rs. 5.0 crores from clients for improper usage of the company's intellectual property.

The Company hopes to maintain the same revenues in the current year despite the impact of the Covid pandemic due to several new products which have been introduced for the US Automotive Market. The response has been very encouraging to the new products.

The Data Analytics division is now doing very well and is expected to contribute significantly to the company's revenues in the US market in 2020-2021. The division has become profitable as well.

The Company's CGI division is getting a lot of traction from international clients. Especially with a lot of businesses wanting to generate online sales, the demand for interactive content has increased significantly. The company is increasing its employee strength in the CGI division to cater to this increased demand.

Stand Alone Financials

Rs. in lakhs

Particulars	2019-20	2018-19
Revenue from Operations	2,502.44	2,582.21
Other Income	216.67	229.12
Total Revenue	2,719.11	2,811.33
Direct cost of operations	42.71	72.26
(Increase)/Decrease in Stocks/WIP	0.14	-4.57
Employee Benefit Expenses	1,826.27	1,718.96
Financial Expenses	95.50	136.08
Depreciation	209.12	262.54
Other Expenses	462.96	546.19
Total Expenses	2,636.70	2,731.46
Profit/ (Loss) before Tax & Exceptional Item	82.41	79.87
Exceptional or Extraordinary Items	--	--
Profit/ (Loss) before Tax	82.41	79.87
Provision for Taxation	-24.3	-36.64
MAT Tax Credit	--	34.91
Deferred Tax	-53.69	-61.86
Profit / (Loss) after Tax	4.42	16.27
Total Other Comprehensive Income	6.91	15.58
Total Comprehensive Income for the period	11.33	31.85

Performance

The Company's sales on a standalone basis has shown a decrease of 3% over the previous year. This is a direct impact of the Coronavirus pandemic which affected revenues in March 2020.

Analysis of Expenses

Employee benefit expenses have shown a slight increase over the previous year. This is primarily due to increase in the employee count in India due to the expansion of the CGI and VR development divisions.

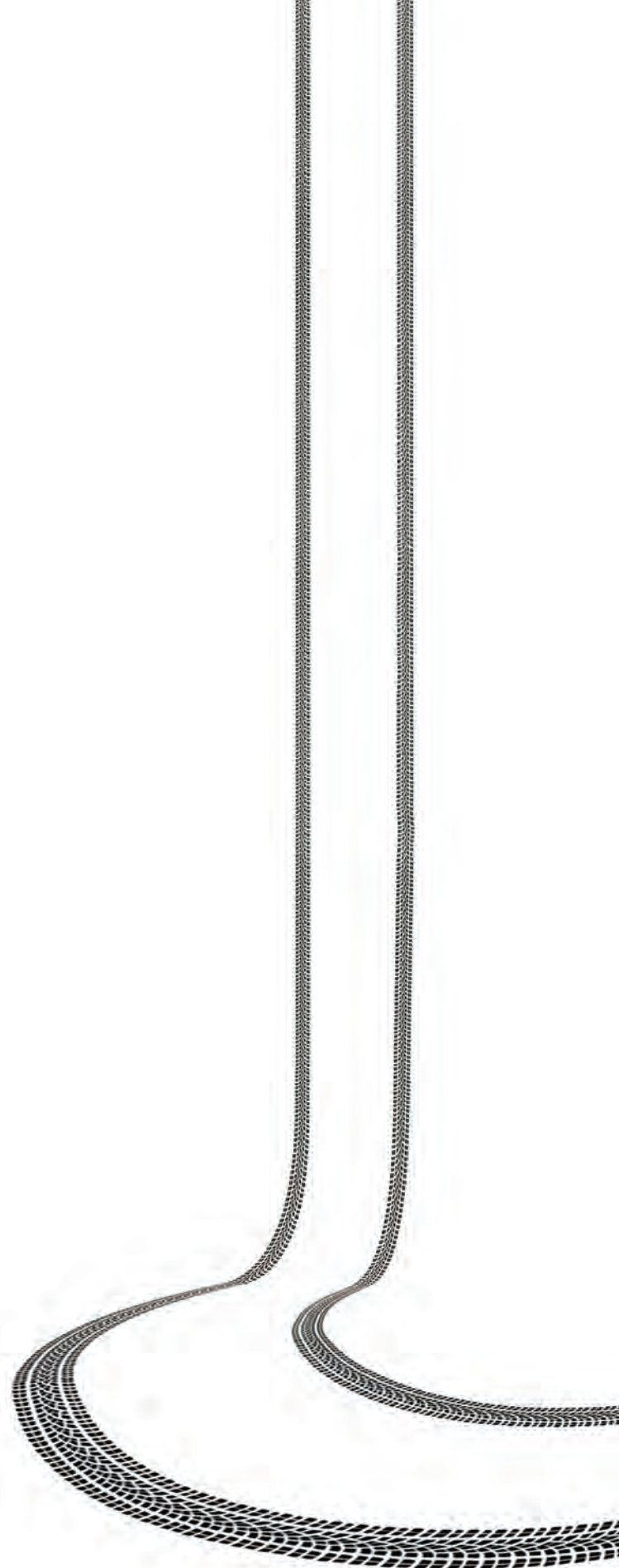
Financial expenses have reduced significantly as the company has steadily reduced its debt. This is expected to fall further in the current year. The company has also been able to rein in other expenses by keeping a tight check on costs.

Profitability

The company's profitability has reduced slightly due to the revenue reduction as a result of the Covid pandemic as well as an increase in employee expenses.

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.



New Challenges, New Opportunities.

Automotive retail is evolving rapidly. What used to be a time-consuming showroom exercise is now an amazing online experience.

And izmo is at the forefront, driving change.

With change comes opportunities. The last financial year has been a fruitful time for izmo. Your company improved its performance in terms of customers, revenue, and profits, in spite of the COVID-19 storm impacting global markets towards the last quarter.

The COVID-19 pandemic proved to be a huge shock for global automotive retailing, with leading agencies forecasting a 14-22% drop in sales.

However, a key Capgemini study underlines a silver lining. 89% of customers are still willing to purchase, provided they have a compelling offer and shopping experience. 46% of prospective customers now prefer online car shopping over traditional ways.

The silver lining for automotive retail is the increasing preference for personal mobility over public transport, with 77% looking at public transport as unsafe, 44% wanting to increase the use of personal vehicles, and 11% looking forward to buying a vehicle to prevent infection while traveling. Almost all studies point to a V-shaped recovery in retail sales spread over the next couple of years, driven by virtual shopping.

Dealers need to rewire their shopping experience, minimizing people contact, if they are to successfully compete in the new environment.

Even before Covid-19, prospective customers used to visit showrooms only after they have





decided which vehicle to buy, and at what price point. Prospects start their research three or more months before the purchase decision, and typically use more than 18 sources of information before they shortlist their choices – which is more than they would before elective surgery.

To reach out to customers, dealers need auto dealer websites that deliver immersive “Virtual Showroom” experiences, apps to publish online reviews which are now the #1 trusted source of buying advice, powerful online and social marketing, inventory marketing, and paid promotions. They also need data analytics to understand local market trends and customer priorities, and make meaningful business decisions.

Presently, izmo is the only auto retail solutions provider who can offer the

entire range of tools and solutions to make this happen.

On the one hand, izmo’s visual and interactive media divisions – automotive imagery, video, CGI, vehicle and accessories configurators, and Virtual Reality - offers automotive OEMs, retailers, portals, and service organizations powerful visual marketing solutions. On the other, our tech. centers produce world-class responsive websites, virtual showrooms, class-leading automotive marketing, reputation management, and data analytics to enable insight-driven marketing and decision-making.

The izmo Virtual Shopping Experience

The izmo virtual shopping experience offers prospective customers a lifelike interactive vehicle experience from anywhere, powered by the latest CGI and web technologies. Prospective customers can take virtual vehicle walkarounds and interior tours, explore

the vehicle from every angle, choose colors and accessories and see how they fit in, watch videos, view inventory, and finally get pricing and download a brochure of the vehicle, complete with color choices, accessories, and other customizations.



izmoEmporio 3D CGI Virtual Showroom

izmoEmporio is the world's first full 3D CGI implementation Virtual Showroom, with very high user engagement. Bounce rates of izmoEmporio is a negligible 2%.

No other company has the capacity to build anything of this power and

scale because they do not have the assets to create CGI nor the production capability. The market potential of this product alone is around \$200M ARR.



The izmoweb Cloud Platform

The izmoweb “Responsive” web platform which hosts all izmo auto retail websites is the most advanced automotive web platform available globally, with unmatched enterprise level functionality which empowers dealers to scale up and down effortlessly, OEMs and dealer groups can now manage all of 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 into one plug-and-play package, is largely responsible for the success of izmo websites.

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



Reputation Management

Buyerater. In dealership review platform and app

More than 90% of prospective customers look up reviews before they decide on a vehicle and a dealership. Dealers need a steady flow of recent reviews to help them reach local customers during this crucial decision-making phase.

Buyerater is the first in-dealership customer review app for auto dealers. The app allows customers to publish authentic reviews with ease when they are still at the dealership. These reviews are then location-certified and published on the dealer's own review website, and shared on social media.

Buyerater also makes the entire review management process easy and seamless for dealers.

Presently Buyerater is available in the US, Canada, Spain, France, and India.



Top Tier Digital Marketing and Advertising Partner

Your company is a top tier, full-spectrum digital marketing and advertising partner in the automotive retail space. From search marketing and social conversations to paid promotions, izmoRainmaker connects all the dots in the digital marketing roadmap to offer a powerful solution that delivers measurable results.

Every izmoRainmaker 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.

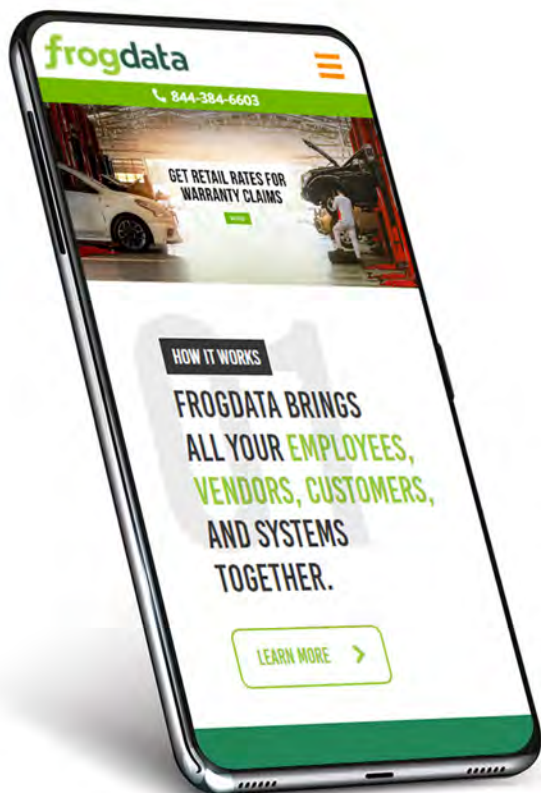
FranchiseNow and izmoLeads

Your company is also offering lead-generation services to Franchise companies in the U.S. and India.

Frog Data. Data Analytics for Dealerships



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



The FrogData data analytics platform is the first full-featured analytics platform available to auto dealers. Partnerships with major players in the automotive vertical makes FrogData easy to adapt and deploy.

Built on a state-of-the-art open architecture platform that can easily accommodate virtually any type of data from any system into a data lake, FrogData enables dealers to use the data in their systems efficiently and derive competitive advantage out of it.

FrogData allows dealers the flexibility to deploy data analytics at a scale comfortable to them. They can commence deployment with just a few departments or the entire dealership.

Automotive Parts Management

DistrigoBoost/ Parts Velocity/ Parts Gorilla

The parts management solution of your company is fast gaining significant traction in Europe, with hundreds of users spanning seven countries including France, Netherlands, Italy, Belgium, Germany, Spain, and Portugal.



Segment-wise Performance

Your company consolidated and expanded its reach and penetration across key segments.

Visual Media

The visual media division of your company operates in 16 countries, with studios in Long Beach, USA and Brussels, Belgium, state-of-the-art image processing facilities in Bangalore, India, and clients in the USA, Mexico, Colombia, Belgium, Brazil, China, France, Germany, Italy, Netherlands, Portugal, Russia, Spain, Switzerland, Turkey, and India.

Presently, izmo is serving:

- The world's top corporations
- Automotive OEMs
- Prominent 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 are key players in the global automotive retail transformation.

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. Negotiations are on 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

Measures taken to protect the intellectual property of izmo produced significant results in this financial year.

Rental Car and Leasing Industry Solutions

The izmo Rental Car and Leasing Industry Solutions continued to dominate the market, and major rental car companies worldwide are izmo clients. The world's largest online travel portals use izmo images and 75% 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. We now cover most automotive models in key markets worldwide, except China.



Websites and Portals

Top Automotive web solutions provider in France and Mexico.

Your company is the #1 auto dealer website provider in France and Mexico.

France

izmo is presently dominating French auto retail, serving 42 prominent retail groups. Apart from delivering retail websites to dealers belonging to 40 prominent automotive OEMs, izmo is working with an OEM to produce an automotive portal for new cars.

In addition, izmo is also developing a portal for a prominent tractor and agricultural company, targeting customers in France, Luxembourg, and Switzerland.

Mexico

In Mexico, izmo is serving hundreds of dealers belonging to 15 automotive OEMs and 4 Motorbike OEMs.

Spain

izmo is working in partnership with a prominent OEM to create a used car portal which has huge market potential in the country.

Columbia

Your company has opened its account in Columbia and we expect to see significant market traction in the coming years.

Industry structure and developments

Americas

USA

As expected, US Auto Sales is down, with NADA reporting some signs of recovery after bottoming out in April at a seasonally adjusted annual rate (SAAR) of 8.6 million units, the lowest on record. In June, NADA reported an SAAR of 13.05 million units, a significant improvement in just 2 months but still lower than last year's sales.

Business uncertainty usually persuades auto dealers to look for new ways to compete and win market-share. This is one reason why izmo's virtual showroom solutions, WebGL vehicle configurators, responsive dealer websites, digital marketing, reputation management, and data analytics solutions are expected to gain significant traction in the coming financial year.

Mexico

Mexico reported a 31% drop in vehicle sales in July, with the Mexican Automotive Industry Association (AMIA) estimating a production fall between 28-30% in 2020.

Your company continues to be a leading auto dealer website service provider in Mexico, serving dealers belonging to 15 OEMs. The CGI based accessories configurator delivered to a prominent OEM is a global breakthrough for izmo.

Your company is also a strong presence in the 2-wheeler segment.

European Union

EU car sales dropped 24.4% YoY in June, and the European Automobile Manufacturers' Association (ACEA) radically revised its 2020 forecast for passenger car registrations down by about 25%. The sales downfall is basically driven by Covid-19 uncertainties.

However, France recorded a surprising recovery from the market slump, with a 1.2% increase in sales in June, backed by governmental incentives, as compared with the same month last year.

Your company continues to be the top auto dealer website and marketing solutions provider dominating the French retail market, serving dealers and groups belonging to 40 prominent OEMs. In addition, izmo is working with an automotive OEM to build an automotive portal for new cars, as well as a portal targeting customers in France, Luxembourg, and Switzerland for a prominent tractor and agricultural equipment manufacturer.

ASIA

India

Indian auto sales made a strong recovery in July, with 1,97,523 vehicles sold in July compared to 1,99,534 vehicles during the same month last year. All automakers recorded positive growth when compared to the previous month, and Maruti, Tata, Renault, and MG improved on last year's performance.

Two wheeler sales is also up, with total sales of 12,94,849 vehicles in July 2020, a 32% improvement over June.



With online showrooms serving dealers belonging to 13 OEM brands, izmocars India continues to be a leading car dealer website provider in India.

izmo: a long tradition of innovation

Buyerater, PartsGorilla, FrogData, 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 U S consumers as early as 2003. To this day, izmo remains invested in 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, from the Americas to Europe to Asia.

The India Advantage

The India advantage of high-end human resources right from 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.



Opportunities and Threats

To begin with, izmo is a *blue ocean company* that creates value out of breakthrough innovation and not price-competition. Secondly, our company owns deep domain expertise in all its areas of operations.

Between these two, the entry barriers to any competition is quite formidable, and potential competitors in areas like CGI, VR, Imagery, Parts and Accessories Configurators, etc. are unlikely to be price-competitive for a long period of time.

Presently your company is exploring

the newest opportunities in its operating space, namely reputation management, data analytics and CGI/VR, which is innovation driven. Previous experience tells us that companies who enter the market arena at the commencement of the bell curve are the ones likely to reap the richest dividends.

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.



Outlook

Having reported significant improvements in terms of revenue, and profits, we share a very positive outlook for the year ahead.

izmo is in the process of introducing breakthrough products like virtual vehicle configurators that help minimize physical contact during vehicle shopping and we expect very positive results in the months to come.

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 our bottom-line, either positively or negatively.



Internal Control System

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, as also 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 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

izmo is having 267 employees as on March 31, 2020. Employee relations remained satisfactory during the period under review.

The Company would like to record its appreciation to its employees and their whole hearted support and co-operation during these difficult periods.

Financial Performance with respect to Operational Performance

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





Lady with the Lamp

Florence Nightingale, by Henrietta Rae, 1891. CC

Annexure - to the Board's Report (Contd.)**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 - specific financial ratio.

S.No.	Particulars	FY 2019-20	FY 2018-19	% 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)	2,502.44	2,582.21	-3%	Not applicable
2	Net Profit	4.42	16.27	-73%	The reduction in net profit is due to slight reduction in revenue due to Covid-19 impact during last quarter of FY 2019-20.
3	EBITDA	387.02	478.48	-19%	Not applicable
4	Return on Net worth	0.03%	0.10%	-73%	The reduction in return on networth is due to slight reduction net profit in FY 2019-20.
5	EPS (Basic)	0.03	0.13	-77%	The reduction is due to slight reduction in net profit during FY 2019-20.
6	EPS (Diluted)	0.03	0.13	-77%	The reduction is due to slight reduction in net profit during FY 2019-20.
7	Debtor Turnover Ratio	1.05	1.05	0%	Not applicable
8	Interest Coverage Ratio	4.05	3.52	15%	Not applicable
9	Current Ratio	1.20	1.32	-9%	Not applicable
10	Debt Equity Ratio	0.20	0.20	-2%	Not applicable
11	Operating Profit Margin (%)	15.47%	18.53%	-17%	Not applicable
12	Net Profit Margin (%)	0.18%	0.63%	-72%	The reduction in net profit is due to slight reduction in revenue to Covid-19 impact during last quarter of FY 2019-20.

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

Board's Report

COVID 19 IMPACTS

In the last month of financial year 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. From a highly centralized model consisting of work spaces set in our premises capable of accommodating good number of employees, we switch to work from home for employees to deliver the output seamlessly. As of March 31st, 2020, work from home was enabled to close to 90 percent of the employees to work remotely and securely. This response has reinforced customer confidence in Izmo and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

SHARE CAPITAL

The Authorized Share Capital of your Company as on March 31st, 2020 stood at Rs.18,00,00,000 divided into 18000000 equity shares of Rs.10/- each. The Issued Share Capital of your Company is Rs. 130,671,730 divided into 13067173 equity shares of Rs.10/- each and the Subscribed and Paid-up Share Capital is Rs. 130671730 divided into 13067173 equity shares of Rs.10/- each, fully paid up.

DIVIDEND

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

TRANSFER TO RESERVE

Your Directors does not propose to carry any amount to reserves, during the financial year ended 31st March, 2020.

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 has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

EXTRACT OF ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed there under, the extract of the annual return for financial year 2019-20, is given in **Annexure-A** in the prescribed Form No. MGT-9, which is a part of this report. The same is also available <https://www.izmoltd.com/shareholding-pattern-en-in.htm>.

Board's Report

NUMBER OF MEETINGS OF THE BOARD

During the year under review 4 (Four) 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 31st March, 2020:

1. Mr. Perur Phaneendra
2. Mr. Ramanujam Krishnamurthy
3. Mr. Vijay Gupta

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 June 29th, 2020.

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.

NOMINATION & REMUNERATION POLICY

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.

You're 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

Board's Report

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.

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-D** and **Annexure-E**.

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 31st March 2020, the applicable accounting standards had been followed and there were no material departures;
- 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 31st March 2020 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.

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

The statutory Auditor's Report does not contain any qualification, disclaimer, reservation or adverse remark.

Further, the Secretarial Audit Report does not contain any qualification, disclaimer, reservation or adverse remark.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of the loan granted are mentioned in the Note No. 36 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.43 of Notes to the Standalone financial statement. Full particulars of investments made are stated in Note No.7 to the standalone financial statement.

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 are 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

Board's Report

approval so granted are placed at quarterly meetings of the Audit Committee.

Your directors draw attention of the members to Note. No.36 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: <http://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 disclosures in this regard is given in this report as **Annexure-B**.

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 31st March, 2020 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. Adequate measures have been taken to conserve and optimize the use of energy through improved operations methods.

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.

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:

Earnings – Rs 2,403.26 Lakhs (PY Rs. 2,420.48 Lakhs)

Outgo – Rs 63.75 Lakhs (PY Rs. 105.01 Lakhs)

Board's Report

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 CSR Committee as it does not fall under the criteria mentioned in Section 135 of Companies Act 2013.

FORMAL ANNUAL EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 evaluation of performance is carried out by the Company. Evaluating Board's effectiveness by assessing performance of the Board as a whole, performance of individual director and committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

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

Your Board has made certain modification in the Board Composition during the year under review. The following changes have occurred in the Board of Directors as well as Key Managerial Personnel.

Pursuant to the provision of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs Shashi Soni retired by rotation and was re-appointed at 24th AGM held on September 25th, 2019.

A. DIRECTORS

Appointment:

Mr. Ramanujam Krishnamurthy, Mr. Perur Phaneendra and Mr. Vijay Gupta, the Independent Director's of the Company was reappointment for the second term of 5 (five) consecutive years at 24th AGM held on September, 25th 2019. Their appointment was effective from September 30th, 2019 up to September 30th, 2024.

B. KEY MANAGERIAL PERSONNEL

i) Appointment:

Mr. Sanjay Soni the Managing Director of the Company was reappointed for a term of 3 years at 24th AGM held on September, 25th 2019. His appointment was effective from 1st April, 2019 to 31st March, 2022.

Mrs. Shashi Soni the Chairperson and Whole time Director of the Company was reappointed for a term of 3 years at 24th AGM held on September, 25th 2019. Her appointment was effective from 1st October, 2019 to 30th September 2022.

The Nomination and Remuneration Committee recommended to the Board for appointment of Mr. Danish Reza (ACS-36214) a qualified Company Secretary, and the board has appointed him at its meeting held on 13th February, 2020 as the Company Secretary & Compliance Officer and KMP of the Company w.e.f February 17th, 2020.

Details pertaining to their remuneration have been provided in the Extract of Annual Return annexed hereto and forming part of this Report as **Annexure-A**.

Board's Report

DEPOSITS

The Company has not accepted Deposits under 'Chapter V-Acceptance of Deposits by Companies' under Companies Act, 2013 during the financial year ended March 31st, 2020.

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 and Form- MGT 9, 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.

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-C** 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:

<http://www.izmold.com/policies-and-code-of-conduct-en-in.htmz>

The Audited Consolidated Financial Statements (CFS) of your Company for the financial year ended March 31st, 2020, prepared in compliance with the provisions of Ind AS 27 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.

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

Particulars of employees 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-D**.

The statement showing the names of the top ten employees in terms of remuneration drawn for the year ended March 31st, 2020 pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as annexed with this report as **Annexure-E**.

Board's Report

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

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:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, read with the provision of Companies (Audit and Auditors) Rules, 2014, Mr. Guru Prakash V, Chartered Accountant (Membership Number 228938) was appointed as the Statutory Auditors of the Company for a consecutive period of 5 (five) years from conclusion of the 22nd AGM held in the year 2017 until conclusion of the 27th AGM of the Company scheduled to be held in the year 2022.

The reports given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31st, 2020 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

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 February 13th, 2020 appointed Mr. Syed Shahabuddin, (ICSI Membership No.ACS 4121 and C.P. No. 11932) Company Secretaries, having office at 85/2, Muniswamappa Road, 01st Cross Road, J C Nagar, Bengalore-560006 as the Secretarial Auditor of the Company to conduct the Secretarial Audit for financial year ended March 31st 2020.

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-F**. The Secretarial Compliance Report as received from Mr. Syed Shahabuddin as per the requirement of SEBI (LODR) 2015 is annexed herewith to the Board Report and marked as **Annexure-G**. The Secretarial Audit Report and Compliance Report does not contain any qualification, reservation, adverse remark or disclaimer.

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. 2019-20 and he has completed the internal audit as per scope given by the Audit Committee for the financial year 2019-20.

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 Statutory Auditors' certification thereof is provided in the corporate governance section of this report at **Annexure-H**.

Board's Report

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 31st, 2020, 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.

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, we have obtained only the approval from the shareholders of the company by passing the special resolution on the AGM held on 10th September, 2016 and further course of action and approval from the various regulatory will be obtained with 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 31st March, 2019 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 2019-20)	(F.Y 2018-19)	(F.Y 2017 -18)	(F.Y 2016 -17)
Option granted	NIL	NIL	6,86,000	NIL
Option vested	NIL	320,600	86,100	86,100
Option exercised	NIL	245,500	59,400	63,600
The total no. of shares arising as a result of exercise of option	NIL	245,500	59,400	63,600
Options lapsed/cancelled during the year	NIL	75,100	26,700	22,500
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	NIL	Rs.24,55,000	Rs.5,94,000	Rs.6,36,000
Total no. of options in force	NIL	4,80,200	8,00,800	2,00,900
Employee wise details of options granted to :				

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 year under review.	4000 options were granted to Com-pany Secretary & No other options were granted to any other KMPs 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 out-standing 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

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. The following is the summary of complaints received and disposed off during the year under review:

Number of complaints received and disposed off - **Nil**

ACKNOWLEDGEMENTS

The Board places on record its appreciation of the contribution of Associates at all levels, customers, Business and technology partners, vendors, investors, Government Authorities and all other stakeholders towards the performance of the Company during the year under review.

Place: Bangalore

Date: 19th August 2020

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

**By order of the Board
for IZMO Limited**

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

ANNEXURE - A

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i	CIN	L72200KA1995PLC018734
ii	Registration Date	08.09.1995
iii	Name of the Company	IZMO Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	#177/2C, Bilekahalli Industrial Area, Bannerghatta Road, Bangalore, Karnataka. 560 076 Tel: 080 67125400 Fax:080 67125408
vi	Whether listed company	Yes, Listed in BSE & NSE
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Limited, "Subramanian Building", V Floor 1, Club House Road, Chennai – 600 002, Tel: 044-28460390-94 Fax: 044-28460129 Email: cameogm@satyam.net.in Contact person: Mr. Narashiman

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"
1	Software Development for Automotive Industry	620	94%
2	Enterprise Connectivity Solution & Others	620	6%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	Izmo Europe BVBA, Belgium	0899.075.776	Subsidiary	100%	2 (87)(ii)
2	Midrange Software Pte Ltd, Singapore	199206197N	Subsidiary	100%	2 (87)(ii)
3	Izmo Inc.,	140442315	Subsidiary	100%	2 (87)(ii)
4	Izmo France SARL (Step down subsidiary of Groupe Izmo)	80980883500015	Subsidiary	100%	2 (87)(ii)
5	Frog Data (Subsidiary of Izmo Inc, Group USA)	NA	Subsidiary	100%	2 (87)(ii)
6	Groupe izmo (Subsidiary of Izmo Inc, Group USA)	NA	Subsidiary	100%	2 (87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Name of the Company	:	IZMO LIMITED
Face Value	:	10 /-
Paidup Shares as on 01 -Apr-2019	:	12897673
Paidup Shares as on 31-Mar-2020	:	13067173
For the Period From	:	01-Apr-2019 To : 31-Mar-2020

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year"
		Demat	Physical	Total	"% of Total Shares"	Demat	Physical	Total	"% of Total Shares"	
A.	"SHAREHOLDING OF PROMOTER AND PROMOTER GROUP"									
1.	INDIAN									
a.	"INDIVIDUALS/HINDU UNDIVIDED FAMILY"	3825624	0	3825624	29.6613	3832624	0	3832624	29.3301	-0.3311
b.	"CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)"	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	"FINANCIAL INSTITUTIONS/ BANKS"	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	3825624	0	3825624	29.6613	3832624	0	3832624	29.3301	-0.3311
2.	FOREIGN									
a.	"INDIVIDUALS (NON- RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)"	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	"TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)"	3825624	0	3825624	29.6613	3832624	0	3832624	29.3301	-0.3311
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	"FINANCIAL INSTITUTIONS/ BANKS"	21500	0	21500	0.1666	524	0	524	0.0040	-0.1626
c.	"CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)"	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	"FOREIGN INSTITUTIONAL INVESTORS"	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	"FOREIGN VENTURE CAPITAL INVESTORS"	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000

i.	ANY OTHER									
	SUB - TOTAL (B)(1)	21500	0	21500	0.1666	524	0	524	0.0040	-0.1626
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	1222590	0	1222590	9.4791	973367	0	973367	7.4489	-2.0302
b.	INDIVIDUALS -									
	"I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH"	3808580	92073	3900653	30.2430	3821834	53665	3875499	29.6582	-0.5847
	"II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH"	2609352	151425	2760777	21.4052	3043757	151425	3195182	24.4519	3.0467
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	15094	0	15094	0.1170	25457	0	25457	0.1948	0.0777
	DIRECTORS AND THEIR RELATIVES	232524	0	232524	1.8028	232524	0	232524	1.7794	-0.0233
	ESOP / ESOS / ESPS	76077	0	76077	0.5898	106841	0	106841	0.8176	0.2277
	HINDU UNDIVIDED FAMILIES	356622	0	356622	2.7650	397073	0	397073	3.0387	0.2736
	IEPF	0	0	0	0.0000	64660	0	64660	0.4948	0.4948
	NON RESIDENT INDIANS	485712	0	485712	3.7658	363422	0	363422	2.7811	-0.9847
	TRUSTS	500	0	500	0.0038	0	0	0	0.0000	-0.0038
		1166529	0	1166529	9.0444	1189977	0	1189977	9.1066	0.0621
	SUB - TOTAL (B)(2)	8807051	243498	9050549	70.1719	9028935	205090	9234025	70.6658	0.4938
	"TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)"	8828551	243498	9072049	70.3386	9029459	205090	9234549	70.6698	0.3311
	TOTAL (A)+(B)	12654175	243498	12897673	100.0000	12862083	205090	13067173	100.0000	0.0000
C.	"SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED "									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	12654175	243498	12897673	100.0000	12862083	205090	13067173	100.0000	0.0000

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

ii) Shareholding of promoters

Name of the Company : IZMO LIMITED

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of shares	"% of total shares of the company"	"% of shares pledged / encumbered to total shares"	No of shares	"% of total shares of the company"	"% of shares pledged / encumbered to total shares"	"% change in shareholding during the year"
1	SANJAY SONI	2764613	21.43	0.0000	2771613	21.21	0.0000	0.22
2	SHASHI SONI	687787	5.33	0.0000	687787	5.26	0.0000	0.07
3	KIRAN SONI	373224	2.89	0.0000	373224	2.86	0.0000	0.04

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name of the Company : IZMO LIMITED

SI No	Name of the Share holder	"Shareholding at the beginning of the year"		"Cumulative Shareholding during the year"	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
1	SANJAY SONI				
	At the beginning of the year 01-Apr-2019	2764613	21.43	2764613	21.43
	Purchase 05-Apr-2019	3000	0.023	2767613	21.18
	Purchase 06-Dec-2019	4000	0.03	2771613	21.21
	At the end of the Year 31-Mar-2020			2771613	21.21
2	SHASHI SONI				
	At the beginning of the year 01-Apr-2019	687787	5.33	687787	5.33
	At the end of the Year 31-Mar-2020			687787	5.26
3	KIRAN SONI				
	At the beginning of the year 01-Apr-2019	373224	2.89	373224	2.89
	At the end of the Year 31-Mar-2020			373224	2.86

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the Company : IZMO LIMITED

SI No	Name of the Share holder	"Shareholding at the beginning of the year"		"Cumulative Shareholding during the year"	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
1	KANCHANA RAO				
	At the beginning of the year 30-Mar-2019	472403	3.6626	472403	3.6626
	At the end of the Year 31-Mar-2020	472403	3.6151	472403	3.6151
2	URJITA J MASTER				
	At the beginning of the year 30-Mar-2019	372500	2.8881	372500	2.8881
	Purchase 10-May-2019	2500	0.0191	375000	2.8697
	Purchase 13-Sep-2019	11000	0.0841	386000	2.9539
	Purchase 04-Oct-2019	1000	0.0076	387000	2.9616
	Purchase 11-Oct-2019	1000	0.0076	388000	2.9692
	Purchase 20-Dec-2019	1000	0.0076	389000	2.9769
	Purchase 03-Jan-2020	1000	0.0076	390000	2.9845
	Purchase 17-Jan-2020	1000	0.0076	391000	2.9922
	Purchase 24-Jan-2020	1000	0.0076	392000	2.9998
	Purchase 13-Mar-2020	1000	0.0076	393000	3.0075
	At the end of the Year 31-Mar-2020	393000	3.0075	393000	3.0075

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
3	"EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED"				
	At the beginning of the year 30-Mar-2019	300000	2.3260	300000	2.3260
	At the end of the Year 31-Mar-2020	300000	2.2958	300000	2.2958
4	RAJESH KUMAR M S				
	At the beginning of the year 30-Mar-2019	190000	1.4731	190000	1.4731
	Purchase 24-May-2019	5000	0.0382	195000	1.4922
	At the end of the Year 31-Mar-2020	195000	1.4922	195000	1.4922
5	DEEP HERITAGE PRIVATE LIMITED				
	At the beginning of the year 30-Mar-2019	187881	1.4567	187881	1.4567
	Purchase 03-May-2019	7119	0.0544	195000	1.4922
	At the end of the Year 31-Mar-2020	195000	1.4922	195000	1.4922
6	"AJAY BHARDWAJ JT1 : ARTI BHARDWAJ"				
	At the beginning of the year 30-Mar-2019	175000	1.3568	175000	1.3568
	Sale 13-Dec-2019	-2000	0.0153	173000	1.3239
	At the end of the Year 31-Mar-2020	173000	1.3239	173000	1.3239
7	KAVITA SONI				
	At the beginning of the year 30-Mar-2019	151425	1.1740	151425	1.1740
	At the end of the Year 31-Mar-2020	151425	1.1588	151425	1.1588
8	SAMARTH KHULLAR				
	At the beginning of the year 30-Mar-2019	133000	1.0311	133000	1.0311
	Purchase 24-May-2019	4000	0.0306	137000	1.0484
	Purchase 12-Jul-2019	15010	0.1148	152010	1.1632
	Purchase 26-Jul-2019	9990	0.0764	162000	1.2397
	Purchase 23-Aug-2019	5750	0.0440	167750	1.2837
	Purchase 30-Aug-2019	1250	0.0095	169000	1.2933
	Sale 18-Sep-2019	-965	0.0073	168035	1.2859
	Purchase 11-Oct-2019	285	0.0021	168320	1.2881
	Purchase 18-Oct-2019	680	0.0052	169000	1.2933
	At the end of the Year 31-Mar-2020	169000	1.2933	169000	1.2933
9	DEEP FINANCIAL CONSULTANTS PVT LTD				
	At the beginning of the year 30-Mar-2019	112812	0.8746	112812	0.8746
	Purchase 05-Apr-2019	188	0.0014	113000	0.8647
	Purchase 12-Apr-2019	1000	0.0076	114000	0.8724
	Purchase 10-May-2019	2500	0.0191	116500	0.8915
	Purchase 17-May-2019	1000	0.0076	117500	0.8991
	Purchase 24-May-2019	1719	0.0131	119219	0.9123
	Purchase 31-May-2019	3781	0.0289	123000	0.9412
	Sale 05-Jul-2019	-500	0.0038	122500	0.9374
	Purchase 26-Jul-2019	1000	0.0076	123500	0.9451

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
	Purchase 16-Aug-2019	1500	0.0114	125000	0.9565
	Purchase 23-Aug-2019	147	0.0011	125147	0.9577
	Purchase 18-Sep-2019	853	0.0065	126000	0.9642
	Purchase 20-Sep-2019	267	0.0020	126267	0.9662
	Purchase 27-Sep-2019	1733	0.0132	128000	0.9795
	Purchase 30-Sep-2019	1000	0.0076	129000	0.9872
	Purchase 22-Nov-2019	1000	0.0076	130000	0.9948
	Purchase 06-Dec-2019	1000	0.0076	131000	1.0025
	Sale 17-Jan-2020	-248	0.0018	130752	1.0006
	Sale 24-Jan-2020	-752	0.0057	130000	0.9948
	At the end of the Year 31-Mar-2020	130000	0.9948	130000	0.9948
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD - COLLATERAL ACCOUNT"				
	At the beginning of the year 30-Mar-2019	98763	0.7657	98763	0.7657
	Sale 05-Apr-2019	-98763	0.7558	0	0.0000
	Purchase 26-Apr-2019	200	0.0015	200	0.0015
	Purchase 03-May-2019	98698	0.7553	98898	0.7568
	Sale 10-May-2019	-12386	0.0947	86512	0.6620
	Sale 24-May-2019	-287	0.0021	86225	0.6598
	Sale 31-May-2019	-18000	0.1377	68225	0.5221
	Sale 07-Jun-2019	-296	0.0022	67929	0.5198
	Sale 28-Jun-2019	-485	0.0037	67444	0.5161
	Sale 05-Jul-2019	-135	0.0010	67309	0.5150
	Sale 12-Jul-2019	-7150	0.0547	60159	0.4603
	Sale 02-Aug-2019	-100	0.0007	60059	0.4596
	Sale 16-Aug-2019	-761	0.0058	59298	0.4537
	Sale 27-Sep-2019	-6	0.0000	59292	0.4537
	Sale 30-Sep-2019	-59292	0.4537	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD-CLIENT ACCOUNT"				
	At the beginning of the year 30-Mar-2019	5000	0.0387	5000	0.0387
	Sale 17-May-2019	-5000	0.0382	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD-CLIENT ACCOUNT"				
	At the beginning of the year 30-Mar-2019	4430	0.0343	4430	0.0343
	Sale 05-Apr-2019	-108	0.0008	4322	0.0330
	Sale 10-May-2019	-2251	0.0172	2071	0.0158
	Sale 17-May-2019	-1065	0.0081	1006	0.0076

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
	Sale 21-Jun-2019	-145	0.0011	861	0.0065
	Sale 30-Sep-2019	-861	0.0065	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD-COLLATERAL ACCOUNT"				
	At the beginning of the year 30-Mar-2019	3463	0.0268	3463	0.0268
	Sale 19-Apr-2019	-100	0.0007	3363	0.0257
	Sale 17-May-2019	-1065	0.0081	2298	0.0175
	Purchase 24-May-2019	330	0.0025	2628	0.0201
	Purchase 31-May-2019	1128	0.0086	3756	0.0287
	Purchase 07-Jun-2019	4	0.0000	3760	0.0287
	Sale 14-Jun-2019	-3760	0.0287	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD - Client Account"				
	At the beginning of the year 30-Mar-2019	204	0.0015	204	0.0015
	Sale 05-Apr-2019	-34	0.0002	170	0.0013
	Purchase 12-Apr-2019	1900	0.0145	2070	0.0158
	Sale 19-Apr-2019	-852	0.0065	1218	0.0093
	Sale 26-Apr-2019	-1048	0.0080	170	0.0013
	Purchase 10-May-2019	1220	0.0093	1390	0.0106
	Sale 24-May-2019	-1380	0.0105	10	0.0000
	Purchase 14-Jun-2019	61	0.0004	71	0.0005
	Sale 21-Jun-2019	-61	0.0004	10	0.0000
	Sale 30-Sep-2019	-10	0.0000	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD - Pool Account"				
	At the beginning of the year 30-Mar-2019	9	0.0000	9	0.0000
	Sale 05-Apr-2019	-9	0.0000	0	0.0000
	Purchase 19-Apr-2019	252	0.0019	252	0.0019
	Sale 26-Apr-2019	-252	0.0019	0	0.0000
	Purchase 24-May-2019	100	0.0007	100	0.0007
	Sale 31-May-2019	-100	0.0007	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LTD-CLIENT"				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
	Purchase 30-Sep-2019	59292	0.4537	59292	0.4537
	Sale 11-Oct-2019	-1365	0.0104	57927	0.4433
	Sale 25-Oct-2019	-1180	0.0090	56747	0.4342
	Sale 01-Nov-2019	-77	0.0005	56670	0.4336
	Sale 20-Dec-2019	-10	0.0000	56660	0.4336
	Sale 27-Dec-2019	-90	0.0006	56570	0.4329
	Sale 17-Jan-2020	-109	0.0008	56461	0.4320
	Sale 24-Jan-2020	-87	0.0006	56374	0.4314
	Sale 28-Feb-2020	-242	0.0018	56132	0.4295
	Sale 20-Mar-2020	-8974	0.0686	47158	0.3608
	Sale 27-Mar-2020	-14213	0.1087	32945	0.2521
	Sale 31-Mar-2020	-25895	0.1981	7050	0.0539
	At the end of the Year 31-Mar-2020	7050	0.0539	7050	0.0539
	HAVING SAME PAN				
10	MOTILAL OSWAL FINANCIAL				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 25-Oct-2019	500	0.0038	500	0.0038
	Sale 01-Nov-2019	-400	0.0030	100	0.0007
	Sale 08-Nov-2019	-100	0.0007	0	0.0000
	Purchase 29-Nov-2019	2	0.0000	2	0.0000
	Purchase 06-Dec-2019	100	0.0007	102	0.0007
	Sale 13-Dec-2019	-102	0.0007	0	0.0000
	Purchase 31-Dec-2019	17	0.0001	17	0.0001
	Purchase 10-Jan-2020	1752	0.0134	1769	0.0135
	Sale 17-Jan-2020	-1769	0.0135	0	0.0000
	Purchase 14-Feb-2020	50	0.0003	50	0.0003
	Purchase 21-Feb-2020	1950	0.0149	2000	0.0153
	Sale 28-Feb-2020	-2000	0.0153	0	0.0000
	Purchase 06-Mar-2020	889	0.0068	889	0.0068
	Sale 13-Mar-2020	-889	0.0068	0	0.0000
	Purchase 20-Mar-2020	187	0.0014	187	0.0014
	Purchase 31-Mar-2020	2000	0.0153	2187	0.0167
	At the end of the Year 31-Mar-2020	2187	0.0167	2187	0.0167
	HAVING SAME PAN				
10	"MOTILAL OSWAL FINANCIAL SERVICES LIMITED - POOL ACCOUNT"				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 19-Jul-2019	900	0.0068	900	0.0068
	Sale 26-Jul-2019	-900	0.0068	0	0.0000
	Purchase 16-Aug-2019	52	0.0003	52	0.0003
	Purchase 23-Aug-2019	948	0.0072	1000	0.0076

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
	Sale 30-Aug-2019	-1000	0.0076	0	0.0000
	Purchase 06-Sep-2019	1250	0.0095	1250	0.0095
	Sale 13-Sep-2019	-1248	0.0095	2	0.0000
	Purchase 18-Sep-2019	298	0.0022	300	0.0022
	Sale 20-Sep-2019	-300	0.0022	0	0.0000
	Purchase 27-Sep-2019	164	0.0012	164	0.0012
	Sale 30-Sep-2019	-32	0.0002	132	0.0010
	Sale 04-Oct-2019	-132	0.0010	0	0.0000
	Purchase 11-Oct-2019	74	0.0005	74	0.0005
	Purchase 18-Oct-2019	501	0.0038	575	0.0044
	Sale 25-Oct-2019	-575	0.0044	0	0.0000
	Purchase 29-Nov-2019	360	0.0027	360	0.0027
	Sale 06-Dec-2019	-360	0.0027	0	0.0000
	Purchase 13-Dec-2019	200	0.0015	200	0.0015
	Sale 20-Dec-2019	-200	0.0015	0	0.0000
	Purchase 27-Dec-2019	50	0.0003	50	0.0003
	Purchase 31-Dec-2019	50	0.0003	100	0.0007
	Purchase 03-Jan-2020	473	0.0036	573	0.0043
	Sale 10-Jan-2020	-573	0.0043	0	0.0000
	Purchase 24-Jan-2020	540	0.0041	540	0.0041
	Sale 31-Jan-2020	-539	0.0041	1	0.0000
	Purchase 07-Feb-2020	99	0.0007	100	0.0007
	Sale 14-Feb-2020	-100	0.0007	0	0.0000
	Purchase 21-Feb-2020	5724	0.0438	5724	0.0438
	Sale 28-Feb-2020	-5724	0.0438	0	0.0000
	Purchase 06-Mar-2020	500	0.0038	500	0.0038
	Sale 13-Mar-2020	-451	0.0034	49	0.0003
	Sale 20-Mar-2020	-49	0.0003	0	0.0000
	Purchase 31-Mar-2020	1366	0.0104	1366	0.0104
	At the end of the Year 31-Mar-2020	1366	0.0104	1366	0.0104
	NEW TOP 10 AS ON (31-Mar-2020)				
11	RAVINDRA RAMGOPAL BHATIA				
	At the beginning of the year 30-Mar-2019	60000	0.4652	60000	0.4652
	Purchase 05-Apr-2019	8000	0.0612	68000	0.5203
	Purchase 26-Jul-2019	9000	0.0688	77000	0.5892
	Purchase 30-Aug-2019	30	0.0002	77030	0.5894
	Purchase 03-Jan-2020	1970	0.0150	79000	0.6045
	Purchase 10-Jan-2020	1000	0.0076	80000	0.6122
	Purchase 31-Jan-2020	4029	0.0308	84029	0.6430
	Purchase 07-Feb-2020	4460	0.0341	88489	0.6771
	Purchase 14-Feb-2020	3011	0.0230	91500	0.7002

SI No	Name of the Share holder	"Shareholding at the beginning of the year		"Cumulative Shareholding during the year	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
	Purchase 21-Feb-2020	3500	0.0267	95000	0.7270
	Purchase 28-Feb-2020	2000	0.0153	97000	0.7423
	Purchase 06-Mar-2020	1000	0.0076	98000	0.7499
	Purchase 13-Mar-2020	2000	0.0153	100000	0.7652
	Purchase 20-Mar-2020	7000	0.0535	107000	0.8188
	Purchase 27-Mar-2020	1000	0.0076	108000	0.8264
	At the end of the Year 31-Mar-2020	108000	0.8264	108000	0.8264
	HAVING SAME PAN				
11	RAVINDRA RAMGOPAL BHATIA				
	At the beginning of the year 30-Mar-2019	30	0.0002	30	0.0002
	Sale 30-Aug-2019	-30	0.0002	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Company : IZMO LIMITED

SI No	Name of the Share holder	"Shareholding at the beginning of the year"		"Cumulative Shareholding during the year"	
		No of shares	"% of total shares of the company"	No of shares	"% of total shares of the company"
1	SANJAY SONI				
	At the beginning of the year 01-Apr-2019	2764613	21.43	2764613	21.43
	Purchase 05-Apr-2019	3000	0.023	2767613	21.18
	Purchase 06-Dec-2019	4000	0.03	2771613	21.21
	At the end of the Year 31-Mar-2020			2771613	21.21
2	SHASHI SONI				
	At the beginning of the year 01-Apr-2019	687787	5.33	687787	5.33
	At the end of the Year 31-Mar-2020			687787	5.26
3	KIRAN SONI				
	At the beginning of the year 01-Apr-2019	373224	2.89	373224	2.89
	At the end of the Year 31-Mar-2020			373224	2.86
4	RAMANUJAM KRISHNAMURTHY				
	At the beginning of the year 01-Apr-2019	NIL	NIL	NIL	NIL
	Purchase/Sale	NIL	NIL	NIL	NIL
	At the end of the Year 31-Mar-2020			NIL	NIL
5	VIJAY GUPTA				
	At the beginning of the year 01-Apr-2019	232524	1.80	232524	1.78
	Purchase/Sale	NIL	NIL	NIL	NIL
	At the end of the Year 31-Mar-2020			232524	1.78
6	PERUR PHANEENDRA				
	At the beginning of the year 01-Apr-2019	NIL	NIL	NIL	NIL

SI No	Name of the Share holder	“Shareholding at the beginning of the year”		“Cumulative Shareholding during the year”	
		No of shares	“% of total shares of the company”	No of shares	“% of total shares of the company”
	Purchase/Sale	NIL	NIL	NIL	NIL
	At the end of the Year 31-Mar-2020			NIL	NIL
7	DANISH REZA				
	At the beginning of the year 01-Apr-2019	NIL	NIL	NIL	NIL
	Purchase/Sale	NIL	NIL	NIL	NIL
	At the end of the Year 31-Mar-2020			NIL	NIL

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	“Secured Loans excluding deposits”	“Unsecured Loans”	Deposits	“Total Indebtedness”
Indebtness at the beginning of the financial year	-	-	114,012,217	114,012,217
Change in Indebtedness during the financial year	-	-		
Additions	-	-	4,100,000	4,100,000
Reduction	-	-	23,924,633	23,924,633
Net Change	-	-	(19,824,633)	(19,824,633)
Indebtedness at the end of the financial year	-	-	94,187,584	94,187,584

Note: For details refer Note No. 16 to the Standalone financial statement.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

SI. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	Gross salary	Sanjay Soni	Shashi Soni	
	Salary including perquisites and other benefits as per provisions of Section 17 of Income tax Act, 1961	“Rs.600,000/- Per Month”	“ Rs.1,25,000/- Per Month”	“Rs.7,25,000/- Per Month “
2	Stock option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL
	others (specify)	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	“Rs.600,000/- Per Month”	“ Rs.1,25,000/- Per Month”	“Rs.7,25,000/- Per Month “
	Ceiling as per the Act	Within Limit	Within Limit	Within Limit

B. REMUNERATION TO OTHER DIRECTORS

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. Vijay Gupta	"Mr. Ramanujam Krishnamurthy"	"Mr. Perur Phaneendra"	
	Independent Directors				
	(a) Fee for attending board & committee meetings	Rs.4,00,000/-	Rs.4,00,000/-	Rs.4,00,000/-	Rs.12,00,000/-
	(b) Commission	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	Rs.4,00,000/-	Rs.4,00,000/-	Rs.4,00,000/-	Rs.12,00,000/-
2	Other Non Executive Directors				
	"(a) Fee for attending board committee meetings"	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL
	(c) Others, please specify.	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	Rs.4,00,000/-	Rs.4,00,000/-	Rs.4,00,000/-	Rs.12,00,000/-
	Total Managerial Remuneration	Rs.4,00,000/-	Rs.4,00,000/-	Rs.4,00,000/-	Rs.12,00,000/-
	Overall Ceiling as per the Act.	Within Limit	Within Limit	Within Limit	Within Limit

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	"Company Secretary"	Total
1	Gross Salary			
	(a) Salary including perquisites and other benefits as per provisions of Section 17 of the Income Tax Act, 1961.	Rs. 2,50,000/- Per Month	Rs. 46,844/- Per Month	Rs. 2,96,844/- Per Month
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL
	others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	Rs. 2,50,000/- Per Month	Rs. 46,844/- Per Month	Rs. 2,96,844/- Per Month

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Place: Bangalore
Date: 19th August 2020

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

ANNEXURE - B

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 : **No**
 - (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:

Form shall be signed by the persons who have signed the Board's report.

Place: Bangalore

Date: 19th August 2020

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

**By order of the Board
For IZMO Limited**

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

ANNEXURE - C

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 2019-20”

Part “A” : Subsidiaries

S No.	Particulars	“Europe Subsidiary”	“US Subsidiary”	“Singapore Subsidiary”	“France Subsidiary”	“Frog Data Subsidiary”	“Groupe Izmo Subsidiary”
1	Sl.No.	1	2	3	4	5	4
2	Name of the Subsidiary	Izmo Europe BVBA	Izmo Inc.,	Midrange Software Pte Ltd	Izmo France SARL	Frog Data LLC	Groupe izmo
3	Reporting period	Apr'19 to Mar'20	Apr'19 to Mar'20	Apr'19 to Mar'20	Apr'19 to Mar'20	Apr'19 to Mar'20	Apr'19 to Mar'20
4	a) Reporting Currency	Euros	USD	SGD	Euros	USD	Euros
	b) Exchange rate as on 31.03.2020	83.05	75.39	53.01	83.05	75.39	83.05
5	Share Capital	111,413,004	1,527,501,830	55,123,998	3,195,320	6,504,410	8,680,881
6	Reserves & Surplus	7,536,314	552,275,408	(37,400,159)	(3,267,958)	(164,502,750)	(2,025,632)
7	Total Assets	185,276,788	2,541,998,125	147,062,011	70,960,813	30,098,811	7,021,000
8	Total Liabilities	66,327,470	462,220,887	129,338,172	71,033,451	188,097,151	365,751
9	Investments	-	37,721,008	70,564,619	-	-	-
10	Turnover	127,821,587	518,274,038	9,059,500	206,532,469	37,052,678	-
11	Profit before Taxation	17,377,154	152,632,417	52,277	7,532,784	(64,491,304)	(2,025,632)
12	Provision for Taxation	-	-	-	-	-	-
13	Profit after Taxation	17,377,154	152,632,417	52,277	7,532,784	(64,491,304)	(2,025,632)
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

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: 19th August 2020

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

ANNEXURE - D

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	18.90:1 (Sanjay Soni) 3.94:1 (Shashi 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.	20 % Increase in remuneration of Managing Director. 40.81 % increase in remuneration of Company Secretary.
iii.	The percentage increase in the median remuneration of employees in the financial year	10.98% increased in median remuneration of employees
iv.	The number of permanent employees on the rolls of company:	272 employees
v.	Average percentile 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:	13.85%:20% Note: After a long time, increase in Managing Director remuneration was considered in the FY 2019-20. His last increase was made in FY 2006-07.
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: Bangalore

Date: 19th August 2020

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

By order of the Board
For IZMO Limited

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

ANNEXURE - E

STATEMENT UNDER SECTION 197 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES,2014 FOR THE FY 2019-20.

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR.

SI No	Name	Designation	Remuneration received in INR	Qualification & Experience (No. of years)	Date of commencement of employment	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	Sarbhashish Bhattacharjee	Chief Technology Officer	70,67,553	B.Sc & BCA 5.09	10-Jul-14	47.8	Megalon Group	No	0.00
2	Akula Satya Kiran	Manager-Engineering	38,55,832	B-Tech 12.07	24-Sep-07	43.2	Kbase IT Solutions	No	0.12
3	Venkoba Rao Dagudu	Senior Technical	37,12,645	MCA 5.03	19-Jan-15	37.8	Infosys Limited	No	0.04
4	Dipankar Kacharia	Director Operations	31,65,339	BA 5.11	27-May-14	42	Wipro Technologies Ltd	No	0.00
5	Jaleel Akbar Mohammad	Senior Technical	31,01,590	MCA 5.02	30-Jan-15	39	NTT Data	No	0.09
6	Kiran Soni	Chief Financial Officer	30,96,540	CA 24.07	08-Sep-95	52.5	NA	Yes	2.86
7	Vinay Narayana	Delivery Manager	27,61,070	M.Sc 5.03	12-Jan-15	36.10	Educomp Learning Pvt. Ltd	No	0.02
8	Aniyan Kumar	Director Sales	23,79,693	B.Sc & PG Dip 5.06	01-Oct-14	51	Intertec Systems LLC	No	0.004
9	Praveen Vinayak Pandit	Manager Data Engineering	21,10,945	B.Com & MBA 18	15-Apr-02	46.8	Black Global Solutions	No	0.027
10	Jayakumar T H	Manager - Marcom & Design	20,84,927	M.A 15.04	01-Dec-04	57.10	Khoday Contact Center	No	0.05

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: Bangalore

Date: 19th August 2020

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

ANNEXURE - F

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, 2020**

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, 2020 (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 there under 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;

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

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (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;
- (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.

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.

Further, Mr. Suraj Kumar Sahu, Company Secretary cum Compliance Officer of the Company vacated the office w.e.f 12th September 2019 and Mr. Danish Reza was appointed as Company Secretary cum Compliance Officer of the Company w.e.f 17th February 2020 which is in compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder.

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.

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.

We further report that 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, etc.

Place: Bangalore

Date: 29th June, 2020

Sd/-

Syed Shahabuddin

Company Secretary

Membership No: 4121

Certificate of Practice No: 11932

UDIN: A004121B000394335

ANNEXURE - G

Secretarial Compliance Report of IZMO Limited for the year ended March 31, 2020

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, 2020 (“Review Period”) in respect of compliance with the provisions of:

- (i) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (ii) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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;
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records;

(c) There was no action taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

(d) The action taken by the listed entity to comply with the observation made in previous reports has been enclosed as Annexure.

Place: Bangalore

Date: 29th June, 2020

Sd/-

Syed Shahabuddin

Company Secretary

Membership No: 4121

Certificate of Practice No: 11932

UDIN: A004121B000394335

Annexure to Secretarial Compliance Report of IZMO Limited for the year ended March 31st, 2020

The following are the actions taken by the listed entity to comply with the observation made in previous reports:

Sl. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Ms Kiran Soni, who was appointed as corporate analyst from September 30, 2008 was re-designated as Chief Financial Officer with effect from Nvember 10, 2014. The Company did not have a Chief Financial Officer during the period from April 1, 2014 to November 09, 2014 as required under clause (iii) of sub section (1) of Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managrial Personnel) Rules, 2014.	31.03.2015	Ms. Kiran Soni, a Chartered Accountant has been appointed as Chief Financial Officer w.e.f 10 th November 2014.	CFO has since been appointed and non compliance has been complied with.

2	<p>The Company had not appointed a Company Secretary during the period from April 1, 2014 to November 09, 2014 as required under Section 203, sub section (1), clause (ii) of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, However, the said sub-section was complied with by the appointment of Ms. Chitra. M.A as Company Secretary with effect from November 10, 2014.</p>	31.03.2015	<p>Ms. Chitra M. A. a Company Secretary has been appointed as Whole time Company Secretary w.e.f 10th November 2014.</p>	<p>Company Secretary has since been appointed and non compliance has been complied with.</p>
3	<p>Remittance of Unpaid/Unclaimed Interim dividend declared in 2008 to the Investor Education & Protection Fund beyond the period specified in Rule 3 of the Investor Education and Protection Fund (awareness and protection of investors) Rules, 2001 and non-filing of e-Form 1INV relating thereto and non – filing of e-Form 5 INV under Rule 3 of the Investor Education and Protection fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.</p>	31.03.2016	<p>The remittance to the fund was made and E-Form 1 INV and E-Form 5 INV were filed subsequently.</p>	<p>The Company has since remitted the unclaimed dividend to IEPF Authority and thus the non compliance has been rectified.</p>
4	<p>Statement showing the names of the top ten employees in terms of remuneration drawn was not included in the Board's Report for the year ended March 31, 2018 pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as no employee of the Company was in receipt of remuneration of one crore and two lakh rupees or more per annum or eight lakh and fifty thousand rupees or more per month during the year 2017-18. The Company is of the view that only such employees' details should have been included in the Board's Report, who had drawn the remuneration more than the limits as mentioned above.</p>	31.03.2019	<p>Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has disclosed the statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee during the year 2018-2019</p>	<p>Thus, there was no non compliance during the Financial Year 2018-2019</p>

ANNEXURE - H CORPORATE GOVERNANCE REPORT

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 31st March, 2020 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 is consisting an optimum mix of Executive, Non-executive & Independent Directors.

As on 31st March, 2020, the Board comprises of five Directors, two 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 4(Four) times during the FY 2019-20 as detailed below:

Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
1	30 th May, 2019	2	07 th August, 2019
3	14 th November, 2019	4	13 th February, 2020

C. The composition of the Board as on 31st March, 2020 along with attendance of Board/AGM during the year are given below:

Sl. No.	Name of the Director	Category	Date of Appointment	Attendance in Board Meetings during 2019-20	Attendance in last AGM as on 25 th September, 2019.
1	Mrs. Shashi Soni	Chairperson Whole-Time Director Promoter	01.06.2001	3	Yes
2	Mr. Sanjay Soni	Managing Director Executive Director Promoter	01.04.1999	4	Yes
3	Mr. Perur Phaneendra	Non-Executive Independent Director	30.09.2014	4	Yes
4	Mr.Ramanujam Krishnamurthy	Non-Executive Independent Director	30.09.2014	4	Yes
5	Mr. Vijay Gupta	Non-Executive Independent Director	30.09.2014	4	No

Sl. No.	Name of Director	No of Board of Directors or committees, in which a director is a member or chairperson as on 31 st March, 2020.			
		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		
		SI2 Microsystems Private Limited	Director		
		Hughes Precision Manufacturing Private Limited	Director		
2	Mrs. Shashi Soni	Izmo Limited(Listed Company)	Whole Time Director	NIL	NIL
		Deep Heritage Private Limited	Director		
3	Mr. Perur Phaneendra	Izmo Limited(Listed Company)	Non-Executive Independent Director	3	3
4	Mr. Ramanujam Krishnamurthy	Izmo Limited(Listed Company)	Non-Executive Independent Director	3	NIL
		Pioneer Distilleries Limited(Listed Company)	Non-Executive Independent Director	2	1
5	Mr. Vijay Gupta	Izmo Limited(Listed Company)	Non-Executive Independent Director	3	NIL
		Aries Gases Private Limited	Director	NIL	NIL

D. Number of Board Meetings:

Four 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 30th, 2019; August 7th, 2019; November 14th, 2019 and February 13th, 2020.

The necessary quorum was present for all the meetings.

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 31st, 2020 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.

F. Details of Shares Held:

Details of shares held by non-executive director is disclosed in the **Annexure-A**, Form-MGT-9 of the Board's Report.

G. Meeting of Independent Director:

During the year under review, the Independent Directors met on 13.02.2020 inter alia, to discuss matters as prescribed under the Companies Act, 2013 and Listing Regulations, All the Independent Directors were present at the Meeting.

Web link of Familiarization programme imparted to Independent Directors: https://s3-ap-southeast-1.amazonaws.com/assetsin.izmocars.com/userfiles/103042/1-6-2018/izmoltd_FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS%20_%202018_19.pdf

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 31st, 2020, 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. Peru Phaneendra	Chairman
2	Mr. Ramanujam KrishnamurthyZ	Member
3	Mr. Vijay Gupta	Member

All the Members have relevant finance exposure:

(ii) Audit Committee Meetings:

The Audit Committee has met 4 times during the year under review. The said meetings were held on May 30th, 2019; August 7th, 2019; November 14th, 2019 and February 13th, 2020.

Sl. No	Audit Committee Members	No. of meeting attended
1	Mr. Peru Phaneendra	4
2	Mr. Ramanujam Krishnamurthy	4
3	Mr. Vijay Gupta	4

The Chairman of the Audit Committee was present at the 24th Annual General Meeting held on 25th September, 2019.

(iii) Terms of Reference:

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

- To oversee the Company's financial reporting process and disclosure of its financial information;
- To recommend the appointment of Statutory Auditors and fixation of the audit fee;
- 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;
- Compliance with Accounting Standards;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter corporate loans and investments;
- To review the functioning of the Whistle Blower mechanism;
- To look in to the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors;
- Compliance with the Stock Exchange and legal requirements concerning financial statement and related party transactions, if any;
- To review the Company's financial and risk management policies;
- Discuss with the Internal Auditors any significant findings for follow-up thereon;
- To review the quarterly, half yearly and annual financial statement before submission to the Board of Directors.
- Carrying out any such other functions as are mentioned in the terms of reference of the Audit Committee as per Regulation 18 of the 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. Peru Phaneendra	Chairman
2	Mr. Ramanujam Krishnamurthy	Member
3	Mr. Vijay Gupta	Member

(ii) Meetings:

The Nomination and Remuneration Committee has met 4 times during the year under review. The said meetings were held on May 30th, 2019; August 7th, 2019; November 14th, 2019 and February 13th, 2020.

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 attended
1	Mr. Peru Phaneendra	4
2	Mr. Ramanujam Krishnamurthy	4
3	Mr. Vijay Gupta	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.

(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;
- 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;
- 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://s3-ap-southeast-1.amazonaws.com/assetsin.izmocars.com/user/files/103042/2018-19%20share/izmo_Nomination_and_Remuneration_Policy.pdf

(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, Non-Executive Directors and KMP are disclosed in MGT-9 (Annexure –A).
- Details of Shareholding pattern of Executive Directors and Non-Executive Directors are disclosed in MGT-9 (Annexure –A).
- None of the directors whether executive or not executive are granted with ESOP.

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. Perur Phaneendra	Chairman
2	Mr. Ramanujam Krishnamurthy	Member
3	Mr. Vijay Gupta	Member

- (ii) Mr. Danish Reza company secretary has designated as compliance officer.

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

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

- (v) Number of pending complaints- Nil

- (vi) There were no pending complaints as on 31st March, 2020.

4. General Body Meeting:**A. Following are the details of the last three Annual General Meetings:**

Year	Venue	Date	Time
2016-17	Bharatiya Vidya Bhavan Race Course Road	20.09.2017	9.30 AM
2017-18	Bharatiya Vidya Bhavan Race Course Road	24.09.2018	9.30 AM
2018-19	Bharatiya Vidya Bhavan Race Course Road	25.09.2019	9.30 AM

B. Special resolutions passed in the previous 3 AGMs.

Financial Year	Resolutions Passed	Date of passing special resolution
2016-17	1. Amendment of Memorandum of Association	20.09.2017
2017-18	1. Continuance of directorship of Mr. Vijay Gupta (DIN-00929401), Independent director of the company 2. Issue of 10,00,000 convertible share warrants on preferential basis to promoters 3. Issue of Equity Shares upto INR 40 Crores to the Qualified Institutional Buyers.	24.09.2018
2018-19	1. Re-appointment of Mr. Sanjay Soni as Managing director of the company; 2. Re-appointment of Mrs. Shashi Soni as Chairperson and Whole time Director of the company; 3. Re-appointment of Mr. Ramanujan Krishnamurthy as Non-Executive Independent Director of the Company; 4. Re-appointment of Mr. Ramanujan Krishnamurthy as Non-Executive Independent Director of the Company; 5. Re-appointment of Mr. Perur Phaneendra as Non-Executive Independent Director of the Company; 6. Re-appointment of Mr. Vijay Gupta as Non-Executive Independent Director of the Company;	25.09.2019

C. Postal Ballot:

There was no Postal Ballot conducted during the Financial Year 2019-20.

5. Means of Communication:

- The quarterly, half-yearly and Annual Consolidated Financial Results are published in widely circulated newspapers such Financial Express/Vartha Bharati in terms of the Listing Regulations.
- The Company has uploaded the Investor’s presentation in details on the Company’s website viz. www.izmoltd.com.
- The investors can contact the Company on the email id company.secretary@izmoltd.com.
- 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.

6. General Shareholders Information:

A. Annual General Meeting:

The Annual General Meeting of the Company will be held on **Monday, the 28th day of September 2020 at 12.30 P.M** through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”).

Dates of book closure: The Company’s Register of Members and Share Transfer Books will remain closed from Tuesday 22nd September, 2020 to Monday 28th September, 2020 (both days inclusive).

B. Financial Year:

1st April, 2019 to 31st March, 2020

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 2019-20.

D. Listing on Stock Exchanges:

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

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

The National Stock Exchange of India Ltd – IZMO
BSE Limited – 532341
ISIN - INE848A01014

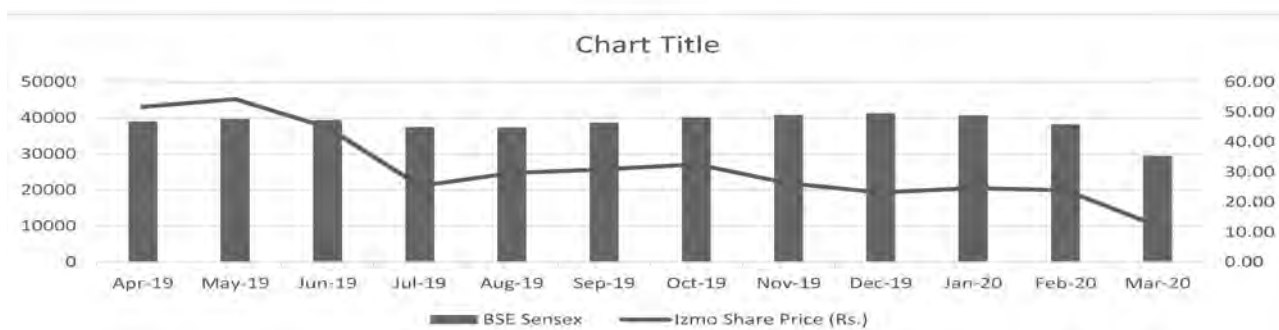
F. Market Price Data:

High/Low, Number of shares traded during each month in the F.Y-2019-20:

Month	BSE				NSE			
	High INR	Low INR	Close INR	Total Traded Quantity	High INR	Low INR	Close INR	Total Traded Quantity
April 2019	61.95	51.00	51.70	739	62.70	51.55	52.10	415405
May 2019	58.00	45.8	54.25	1172	58.50	46.10	54.85	351118
June 2019	55.15	43.7	44.75	550	56.00	43.85	44.45	185878
July 2019	52.30	25.00	25.35	2268	52.40	24.65	25.10	537530
August 2019	32.05	24.00	29.60	1299	32.70	23.50	28.80	200646
September 2019	38.80	28.15	30.85	1219	39.35	27.65	31.45	287617
October 2019	33.95	26.40	32.55	970	33.95	26.25	32.70	193620
November 2019	33.95	24.00	26.25	1202	34.10	23.05	26.15	274093
December 2019	26.80	20.85	23.15	839	26.80	21.00	24.20	162676
January 2020	27.80	23.00	24.60	833	28.00	23.00	24.05	182058
February 2020	29.70	20.75	23.90	918	29.90	20.20	23.60	417678
March 2020	23.25	11.80	12.00	373	24.00	10.30	11.30	276230

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 2019-20 is as below:



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

M/s. 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 there with 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>M/s 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>Mr. Danish Reza 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:

To expedite the transfer in physical mode, authority has been delegated to Stakeholders Relationship Committee of the Board. The Committee considers requests for transfers, transmission of shares, issue of duplicate certificates, issue of certificates on split /consolidation / renewal etc. and the same are processed and delivered within 15 days of lodgment if the documents are complete in all respects. In compliance with the listing Guidelines, every six months, the share transfer system is audited by a practicing Company Secretary and a certificate to that effect is issued by him. Periodically, audits are carried out at the office of the Share Transfer Agents by independent Practicing Company Secretary and requisite Certificates/Reports are obtained.

J. Distribution Schedule: As of 31st March, 2020 the distribution of the Company's shareholding was as follows:

SLNO	HOLDING	NUMBER	% OF TOTAL	SHARES	% OF STOTAL
1	between 1 and 5000	7595	79.5704	11284160	8.6355
2	between 5001 and 10000	914	9.5756	7543230	5.7726
3	between 10001 and 20000	500	5.2383	7656360	5.8592
4	between 20001 and 30000	176	1.8438	4445280	3.4018
5	between 30001 and 40000	88	0.9219	3129720	2.3951
6	between 40001 and 50000	73	0.7647	3412850	2.6117
7	between 50001 and 100000	105	1.1000	7717580	5.9060
9	100001 and Above	94	0.9848	85482550	65.4177
	Total	9545	100.00	130671730	100.00

K. Categories of equity shareholding as on March 31, 2020:

Category	Number of Equity Shares	Percentage of Holding
Promoter & Promoter Group	3832624	29.33
Other Entities of the Promoter Group	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, States and Central Government	524	-
Individual Shareholder holding Nominal Share Capital Up to Rs. 2 lakhs.	4274489	32.71
Individual Shareholder holding nominal Share Capital in excess of Rs. 2 lakhs.	2796192	21.40
Bodies Corporate	973367	7.45
Clearing Members	25457	0.19
Directors and their Relatives	232524	1.78
ESOP/ESOS/ESPS	106841	0.82
Hindu Undivided Family	397073	3.04
IEPF	64660	0.49
NRI-Non- Repeat	253944	1.95
NRI-Repeat	109478	0.84
GRAND TOTAL	13067173	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). 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 31st March, 2020 is as under:

Particular	No. of Share	% of total capital issued
Held in dematerialized form in CDSL	6,480,546	46.6067
Held in dematerialized form in NSDL	6,381,537	48.7326
Physical	205,090	4.6607

M. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments:

As of 31st March 2020, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity 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 15th, 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:

1. The disclosure with respect to materially significant related party transactions are given Note No. 36 of notes to Standalone financials statement.
2. There was no any non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.
3. 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.
4. 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 2019-20. The Board feels there is no requirement for non-mandatory requirements under Part E of Schedule II of the Listing Regulations.
5. 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>
6. Web link where policy on dealing with related party transactions <http://www.izmoltd.com/policies-and-code-of-conduct-en-in.htm>
7. 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.
8. Mr. Syed Shahabuddin (a 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- I**.
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 2019-20.
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. in lakhs)

Payment to Statutory Auditors	FY 2019-19
Statutory Audit	3.00
Other Services including reimbursement of expenses	-
Total	3.00

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.

The Company is compliant with all the mandatory requirements of the Listing Regulations for FY 2019-20. 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.

We complied with the disclosure of corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance.

Declaration signed by the Managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management annexed with this report as Annexure- J.

Compliance certificate from statutory Auditor regarding compliance of conditions of corporate governance is annexed with this report as **Annexure -L.**

ANNEXURE - I

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 ending on 31st March, 2020 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	Perur Phaneendra	06952301	30/09/2014

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: 19.08.2020

Sd/-
Syed Shahabuddin
Company Secretary
Membership No: 4121
Certificate of Practice No: 11932
UDIN: A004121B000559687

ANNEXURE - J

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 31st, 2020.

Place: Bengaluru

Date: 19.08.2019

Sd/-

Sanjay Soni

Managing Director

DIN: 00609097

Annexure-K

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, 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 31st, 2020 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 31st, 2020, 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: June 29th, 2020

Sd/-

Sanjay Soni

Managing Director

DIN: 00609097

Sd/-

Kiran Soni

Chief Financial Officer

ANNEXURE - L

INDEPENDENT AUDITORS'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members of Izmo Limited

1. This Certificate is issued in accordance with the terms of our engagement with the Company.
2. This Certificate contains details of compliance of conditions of corporate governance by Izmo Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2020 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

MANAGEMENT RESPONSIBILITY

3. The Compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2020.
5. Our examination was limited to 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 opinion on the financial statements of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We 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.

OTHER MATTERS AND RESTRICTION ON USE

9. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Sd/-

**For Guru Prakash V
Chartered Accountant
M. No. 228938**

Date: August 19th, 2020

Place: Bengaluru

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, 2020, 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, 2020, the 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 the 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.

Description of Key Audit Matters

1(a) Adoption of Ind AS 115 – Revenue from Contracts with customers

As described in Note 2(f) to the standalone financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.

1(b) Auditor's Response

My audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), include –

- Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard.
- Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams.
- Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as

Independent Auditor's Report

To the Members of Izmo Limited

per the new accounting standard.

- Evaluated the cumulative effect adjustments as at 1 April 2019 for compliance with the new revenue standard; and
- Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.

2(a) Accuracy of revenues and onerous obligations in respect of fixed-price contracts involves critical estimates.

Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. The estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.

Refer Notes Note 2(f) and 24 to the Standalone Financial Statements.

2(b) Auditor's Response

The Company has majority of Time and Material Contracts, where the revenue is determined based on the Milestones defined in the contracts based on Purchase Order.

I have verified the Contracts with the purchase order, and they are in line with the requirements.

My audit approach was a combination of test of internal controls and substantive procedures which included the following:

- Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.
- Tested the access and application controls pertaining to time recording, allocation and which prevents unauthorized changes to recording of efforts incurred.
- Selected a sample of contracts and through inspection of evidence of performance of these controls, tested operating effectiveness of the internal controls relating to efforts incurred and estimated.

- Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.

3(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), 43 & 46 to the standalone Financial Statements.

3(b) Auditor's Response

- Obtained details of completed tax assessments and demands for the year ended March 31, 2020 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.

4(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 11, 44 & 49 to the standalone Financial Statements.

4(b) Auditor's Response

- The Company must take necessary steps to receive the money within the timelines specified in the contracts and keep receivables under control.
- The Debtors balances are subject to confirmation and reconciliation.

Independent Auditor's Report To the Members of Izmo Limited

Emphasis of Matter

As more fully described in Note. 43 & 46 to the Standalone 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 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' 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)

Independent Auditor's Report

To the Members of Izmo Limited

(i) of the Act, I am also responsible for 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 our auditors' 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 we identify during our 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, 2016 ("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.

(A) 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.
- 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.
- e) On the basis of the written representations received from the directors of the company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls 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

Independent Auditor's Report To the Members of Izmo Limited

effectiveness of the Company's internal financial controls over financial reporting.

- g) 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 our opinion and to the best of our 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.

- (B) 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 2020 on its financial position in its financial statements – Refer Note 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.

Guru Prakash V

Chartered Accountant

M. No: 228938

Place: Bangalore

Date: 29th June 2020

UDIN: 20228938AAAABB2342

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 fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program of verification to cover all the items of its fixed assets 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 fixed assets 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) According to the information and explanations given to me, the records examined by me and based on the examination of the conveyance deeds provided to me, I report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.
- ii) In my opinion and according to the information and explanations given to me, the inventories have been verified by the management at reasonable intervals in relation to size of the Company and nature of business and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to me, the Company has granted unsecured loans to body corporate, covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'), in respect of which:
 - a). The terms and conditions of the grant of such loan are not prejudicial to the Company's interest.
 - b). The schedule of repayment of principal and payment of Interest had been stipulated and repayments and receipts are regular.
 - c). No payments were overdue.
- iv) In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 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.
 - b) 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, 2020 for a period of more than six months from the date they became payable.
 - c) 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:

Annexure A to the Independent Auditor's Report:

Name of the statute	Nature of dues	Amount (Rs)	Amount Paid Under Protest (Rs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Transfer pricing	Nil	Nil	FY 2004-05 (AY 2005-06)	Assessing officer to give effect to the ITAT order
Income Tax Act, 1961	Transfer Pricing	1,27,40,080	NIL	FY 2008-09 (AY 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	FY 2009-10 (AY 2010-11)	Assessing Officer to give effect to the ITAT order; The Company is in process of filing appeal before the High Court
Income Tax Act, 1961	Transfer Pricing	3,09,10,300	NIL	FY 2010-11 (AY 2011-12)	Assessing Officer to give effect to the ITAT order; The Company is in the process of filing appeal before the HC
Income Tax Act, 1961	Income Tax and Transfer Pricing	2,28,85,010	NIL	FY 2011-12 (AY 2012-13)	CIT Appeals
Income Tax Act, 1961	Income Tax	84,23,520	NIL	FY 2012-13 (AY 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	FY 2013-14 (AY 2014-15)	CIT Appeals
Income Tax Act, 1961	Income Tax	1,47,04,667	NIL	FY 2016-17 (AY 2017-18)	CIT Appeals
Karnataka Value Added Tax act, 2003	CST	3,89,511	3,89,511	FY 2010-11	KAT

viii) 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 FY 2019-20.

ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under Clause 3(ix) of the Order is not applicable to the Company.

x) To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) In my opinion and according to the information and explanations given to me, the company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provision of the section 197 read with Schedule V to the Act.

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) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not made any preferential allotment and private placement of fully or partly convertible debentures during the year.

xv) In my opinion and according to the information and explanations given to me, during the year the Company has not entered into non-cash transactions with 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) The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934

Guru Prakash V

Chartered Accountant

M. No: 228938

Place: Bangalore

Date: 29th June 2020

UDIN: 20228938AAAABB2342

Annexure - B to the Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our 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, 2020 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.

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

Annexure - B to the Auditors' Report

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 2020, 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.

Guru Prakash V

Chartered Accountant
M. No: 228938

Place: Bangalore
Date: 29th June 2020
UDIN: 20228938AAAABB2342

Balance Sheet

As at 31st March, 2020

(Amount in Rs.)

Particulars		Note No.	As at March 31,2020	As at March 31,2019
I.	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	3	21,981,921	19,394,371
	(b) Capital work-in-progress	4	20,919,436	9,386,450
	(c) Investment Property	5	19,453,375	20,534,447
	(d) Other Intangible assets	6	95,548	14,988,650
	(e) Financial assets			
	(i) Investments	7	1,600,938,496	1,600,938,496
	(f) Deferred tax assets	8	5,134,557	10,503,200
	(g) Other non-current assets	9	52,531,213	53,123,706
	Total Non-current assets		1,721,054,547	1,728,869,321
	Current assets			
	(a) Inventories	10	495,402	509,377
	(b) Financial assets			
	(i) Trade receivables	11	223,475,018	252,612,523
	(ii) Cash and cash equivalents	12	20,094,085	489,748
	(iii) Other financial assets	13	64,382,554	49,810,717
	Total Current assets		308,447,059	303,422,364
	TOTAL ASSETS		2,029,501,606	2,032,291,685
I.	EQUITY AND LIABILITIES			
	Shareholders' funds			
	(a) Share capital	14	130,671,730	130,671,730
	(b) Other equity	15	1,566,800,892	1,562,315,577
	TOTAL EQUITY		1,697,472,622	1,692,987,307
II.	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	16	44,920,497	83,073,213
	(ii) Other financial liabilities	17	10,756,910	10,291,550
	(b) Provisions	18	20,221,008	16,474,957
	Total Non current liabilities		75,898,415	109,839,720
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	(i) micro and small enterprises, and	19	-	-
	(ii) other than micro and small enterprises	19	149,059,016	142,313,429
	(ii) Other Financial Liabilities	20	66,605,377	46,914,079
	(b) Provisions	21	2,928,158	2,385,239
	(c) Other current liabilities	22	35,596,239	34,188,072
	(d) Current Tax Liabilities (Net)	23	1,941,779	3,663,839
	Total Current liabilities		256,130,569	229,464,658
	TOTAL EQUITY AND LIABILITIES		2,029,501,606	2,032,291,685

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Statement of Profit and Loss

For the Year ended March 31, 2020

(Amount in Rs.)

	Particulars	Note No.	Current Year		Previous Year	
I	Revenue from operations	24		250,244,328		258,220,730
II	Other income	25		21,666,772		22,912,056
III	Total revenue (I + II)			271,911,100		281,132,786
IV	Expenses:					
	Purchases of stock in trade	26	4,270,917		7,226,472	
	Changes in inventories of finished goods, work in progress and Stock-in-Trade	27	13,975		(456,800)	
	Employee benefits expense	28		4,284,892		6,769,672
	Finance costs	29		182,627,557		171,896,333
	Depreciation and amortization expense	30		9,549,919		13,608,267
	Other expenses	31		20,911,691		26,253,453
	Less: expenses capitalised			46,296,057		54,618,462
	Total expenses			263,670,115		273,146,187
V	Profit before exceptional and extraordinary items and tax (III-IV)			8,240,984		7,986,599
VI	Exceptional Items			-		-
VII	Profit before extraordinary items and tax (V-VI)			8,240,984		7,986,599
VIII	Extraordinary items			-		-
IX	Profit before tax (VII-VIII)			8,240,984		7,986,599
X	Tax expense:					
	Current tax		2,430,421		3,663,839	
	MAT Credit		-		(3,491,143)	
	Deferred tax		5,368,643	7,799,064	6,186,451	6,359,147
XI	Profit for the year from continuing operations (IX - X)			441,920		1,627,452
XII	Profit/(loss) from discontinuing operations			-		-
XIII	Tax expense of discontinuing operations			-		-
XIV	Profit/(loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV	Profit/(Loss) for the year (XI-XIV)			441,920		1,627,452
XVI	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of the defined benefit plans		690,806		1,557,974	
	b) Taxes on above		-		-	
	(ii) Items that may be reclassified to profit or loss					
	a) Mark to Market of Investments		-		-	
	b) Taxes on above		-	690,806	-	1,557,974
XVII	Total Comprehensive Income (XV + XVI)			1,132,726		3,185,426
XVIII	Earning per equity share before exceptional item:					
	Basic & diluted (in ₹)	33		0.03		0.13
	Earning per equity share after exceptional item:					
	Basic & diluted (in ₹)	33		0.03		0.13
	(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

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Cash Flow Statement

For the Year ended March 31, 2020

(Amount in Rs.)

	Particulars	March 31, 2020	March 31, 2019
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	8,931,790	9,544,573
	Adjustments for:		
	Depreciation	20,911,691	26,253,453
	Interest Expense	9,549,919	13,608,267
	Interest Income	(334,112)	(52,512)
	Rental Income	(9,083,796)	(8,361,074)
	Profit on Sale of Assets	(344,894)	-
	Employee stock option expenses	3,352,589	8,833,871
	Changes in fair value of financial assets at fair value through profit / loss	329,762	726,799
	Amortisation of deferred interest income on Rent deposit received	-	(499,973)
	Interest income on rent deposits paid	(273,469)	(234,488)
	Operating Profit Before Working Capital Changes	33,039,479	49,818,917
	Movements in Working Capital :		
	(Increase)/Decrease in Trade Receivables	29,137,504	(13,952,350)
	(Increase)/Decrease in Inventories	13,975	(456,800)
	(Increase)/Decrease in short term Loans and Advances	(14,035,637)	(16,212,242)
	Increase/(Decrease) in Current Liabilities and Provisions	30,877,322	25,419,281
	Cash Generated from Operations	79,032,644	44,616,806
	Direct Taxes paid (Net of Refunds)	(2,430,421)	(3,663,839)
	MAT Credit	-	3,491,143
	Net cash from Operating Activities	76,602,223	44,444,110
B.	Cash Flows from Investing Activities		
	Purchase of Fixed Assets	(7,611,256)	(6,451,190)
	Capital Work-in-Progress	(11,532,986)	(9,386,450)
	Proceeds from Sale of Fixed Assets	431,083	274,636
	Rental Income	9,083,796	8,361,074
	Interest Received	334,112	52,512
	Net cash used in Investing Activities	(9,295,251)	(7,149,418)
C.	Cash Flows from Financing Activities		
	Repayment of Long Term Borrowings	(38,152,716)	(28,090,004)
	Proceeds from issue of equity share capital (net of expenses)	-	2,455,000
	Interest paid	(9,549,919)	(13,608,267)
	Net Cash used in Financing Activities	(47,702,635)	(39,243,271)
	Net increase in Cash and Cash Equivalents (A + B + C)	19,604,337	(1,948,580)
	Cash and Cash Equivalents at the Beginning of the Year	489,748	2,438,328
	Cash and Cash Equivalents at the End of the Year	20,094,085	489,748
	Components of Cash and Cash Equivalents	March 31, 2020	March 31, 2019
	Balances with Scheduled Banks		
	- In Current Account	19,902,045	294,068
	- In EEFC Account	-	-
	Cash on Hand	20,040	13,680
	Deposit with Bank	172,000	182,000
	TOTAL	20,094,085	489,748

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Notes to Financial Statements

For the Year ended March 31, 2020

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 months 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.

Notes to Financial Statements

For the Year ended March 31, 2020

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.

(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.

Notes to Financial Statements

For the Year ended March 31, 2020

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

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"

Notes to Financial Statements

For the Year ended March 31, 2020

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 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 Financial Statements

For the Year ended March 31, 2020

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.

(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

Notes to Financial Statements

For the Year ended March 31, 2020

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.

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, 2020

3. Property plant and equipment: Tangible assets

(Amount in Rs.)

Particulars	Land	Computers	Plant & Machinery	Office equipments	Electrical Installations	Furniture and fittings	Leasehold Improvements	Motor vehicles	Total
Gross Block:									
Balance as at 01 April 2018	4,674,279	53,923,401	6,871,701	7,162,010	9,143,445	5,654,329	8,397,020	13,800,080	109,626,266
Additions	-	1,846,967	36,000	86,899	224,070	1,273,450	-	2,983,804	6,451,190
Disposals	-	262,366	-	-	-	-	-	12,270	274,636
Balance as at 31 March 2019	4,674,279	55,508,002	6,907,701	7,248,909	9,367,515	6,927,779	8,397,020	16,771,614	115,802,820
Additions	-	3,863,117	51,000	637,925	837,214	-	-	2,222,000	7,611,256
Disposals	-	-	-	-	105,000	-	-	4,280,000	4,385,000
Balance as at 31 March 2020	4,674,279	59,371,119	6,958,701	7,886,834	10,099,729	6,927,779	8,397,020	14,713,614	119,029,076
Accumulated depreciation:									
Balance as at 01 April 2018	-	48,927,427	6,771,869	6,618,062	6,842,022	4,714,418	8,118,016	9,245,087	91,236,902
Depreciation charge for the year	-	3,287,167	17,207	218,606	436,489	197,240	49,766	965,072	5,171,547
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	-	52,214,593	6,789,077	6,836,668	7,278,511	4,911,658	8,167,782	10,210,159	96,408,449
Depreciation charge for the Year	-	2,526,632	19,856	280,064	440,898	245,093	49,701	1,375,275	4,937,518
Disposals	-	-	-	-	18,811	-	-	4,280,000	4,298,811
Balance as at 31 March 2020	-	54,741,225	6,808,933	7,116,732	7,700,598	5,156,751	8,217,483	7,305,434	97,047,156
Net block:									
Balance as at 31 March 2019	4,674,279	3,293,409	118,624	412,241	2,089,004	2,016,121	229,238	6,561,455	19,394,371
Balance as at 31 March 2020	4,674,279	4,629,895	149,768	770,102	2,399,131	1,771,028	179,537	7,408,180	21,981,921

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.

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

	Particulars	As at March 31, 2020	As at March 31, 2019
4	Intangible Assets under development:		
	a) Software	20,919,436	9,386,450
	Total	20,919,436	9,386,450

5. Investment Property

(Amount in Rs.)

Particulars	Building at Whitefield
Gross block:	
Balance as at 01 April 2018	49,178,564
Additions	-
Balance as at 31 March 2019	49,178,564
Additions	-
Balance as at 31 March 2020	49,178,564
Accumulated depreciation:	
Balance as at 01 April 2018	27,563,045
Amortisation charge for the year	1,081,072
Balance as at 31 March 2019	28,644,117
Amortisation charge for the Period	1,081,072
Balance as at 31 March 2020	29,725,189
Net block:	
Balance as at 31 March 2019	20,534,447
Balance as at 31 March 2020	19,453,375

Fair market value of Building at Rs. 28,65,50,000/- 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 the respective dates.

6. Other Intangible Assets

(Amount in Rs.)

Gross block:	Computer software	Intellectual property	Total
Balance as at 01 April 2018	107,397,571	200,076,188	307,473,759
Additions	-	-	-
Balance as at 31 March 2019	107,397,571	200,076,188	307,473,759
Additions	-	-	-
Balance as at 31 March 2020	107,397,571	200,076,188	307,473,759
Accumulated amortisation:			
Balance as at 01 April 2018	72,408,086	200,076,188	272,484,274
Amortisation charge for the year	20,000,835	-	20,000,835
Balance as at 31 March 2019	92,408,921	200,076,188	292,485,109
Amortisation charge for the year	14,893,102	-	14,893,102
Balance as at 31 March 2020	107,302,023	200,076,188	307,378,211
Net block:			
Balance as at 31 March 2019	14,988,650	-	14,988,650
Balance as at 31 March 2020	95,548	-	95,548

Notes to Financial Statements

For the Year ended March 31, 2020

7 Non current investments:

(Amount in Rs.)

Details of investments/Name of the Company	As at March 31, 2020			As at March 31, 2019		
	No of shares	Face value	Amount	No of shares	Face value	Amount
a) Investments in equity Instruments:						
1) Subsidiaries: (Other than Trade, Unquoted) Fully paid up						
i) Investment in Equity Shares of Midrange Software Pte Ltd, Singapore	1,904,915	SGD 1	55,123,998	1,904,915	SGD 1	55,123,998
ii) Investment in Equity Shares of Izmo Inc (Formerly Logix Americas Inc.)	150,000	USD 1	1,456,937,211	150,000	USD 1	1,456,937,211
iii) Investment in Equity Shares of Logix Microsystems Inc., USA	65,500	USD 1	3,071,845	65,500	USD 1	3,071,845
iv) Investment in Equity Shares of Izmo Europe BVBA, Belgium	1,359,093	EURO 1	88,877,287	1,359,093	EURO 1	88,877,287
Total			1,604,010,341			1,604,010,341
Less: Provision for diminution in value of investments			(3,071,845)			(3,071,845)
Total			1,600,938,496			1,600,938,496

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
8. 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)	5,134,557	10,503,200
ii) On account of timing differences in recognition of expenditure	-	-
Total	5,134,557	10,503,200
Net Deferred tax (liability)/asset	5,134,557	10,503,200
9. Other non current assets:		
(unsecured and considered good)		
a) Balances with revenue authorities	18,852,175	18,641,521
b) Advance payment of tax (net)	14,982,295	17,663,148
c) Capital advances	11,725,000	11,725,000
d) Security deposits	2,976,509	3,010,646
e) Security deposits- Others	1,698,202	1,698,202
f) Deferred Income - Rental Deposit	2,297,032	385,188
	52,531,213	53,123,706
Less: Allowance for bad and doubtful receivables	-	-
Total	52,531,213	53,123,706

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
10. Inventories:		
a) Finished goods	495,402	509,377
Total	495,402	509,377
11. Trade receivables:		
a) Trade receivables exceeding six months	26,268,709	72,431,623
b) others	197,206,309	180,180,900
	223,475,018	252,612,523
Less: Allowance for doubtful receivables	-	-
Total	223,475,018	252,612,523
Additional information:		
1) Breakup of above:		
a) Secured, considered good	-	-
b) Unsecured, considered good	223,475,018	252,612,523
c) Doubtful	-	-
Total	223,475,018	252,612,523
Less: Allowance for doubtful receivables	-	-
Total	223,475,018	252,612,523
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	-	-
3) Also refer Note No. 44, in this regard.		
12. Cash and Cash Equivalents:		
a) Balances with banks		
- in other accounts	20,074,045	476,068
b) Cash on hand	20,040	13,680
Total	20,094,085	489,748
13. Other Financial Assets:		
a) Loans and advances	46,304,613	34,047,125
b) Others	18,077,941	15,763,592
	64,382,554	49,810,717
Less: Allowance for doubtful advances for advance paid to suppliers and others	-	-
Total	64,382,554	49,810,717
Additional information:		
1) Breakup of above:		
a) Secured, considered good	-	-
b) Unsecured, considered good	64,382,554	49,810,717
c) Doubtful	-	-
Total	64,382,554	49,810,717
Less:		
Allowance for doubtful advances for advance paid to suppliers and others	-	-
Total	64,382,554	49,810,717
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	10,351,213	-

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos.	Rs.	Nos.	Rs.
14. Share capital:				
Authorized:				
Equity shares of Rs. 10/- each	18,000,000	180,000,000	18,000,000	180,000,000
	18,000,000	180,000,000	18,000,000	180,000,000
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each				
At the beginning of the year	13,067,173	130,671,730	12,821,673	128,216,730
Issued during the year				
- by way of conversion of loan into fully paid up equity shares	-	-	-	-
- by way of Employee Stock Options	-	-	245,500	2,455,000
At the close of the year	13,067,173	130,671,730	13,067,173	130,671,730
Total carried to Balance Sheet		130,671,730		130,671,730
a) Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Nos.	Percentage	Nos.	Percentage
(i) Sanjay Soni	2,771,613	21.21%	2,764,613	21.16%
(ii) Shashi Soni	687,787	5.26%	687,787	5.26%
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, 2020		As at March 31, 2019	
Shares issued upon conversion of borrowings (No.of Shares)		-		-

Statement of Changes in Equity

For the Year ended March 31, 2020

Note : 15 Other Equity

Particulars	Other Equity					Other Comprehensive Income			Total Other equity
	Share premium	General 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)	
As at April,1 2018	1,477,939,720	6,339,532	33,342,037	12,656,280	1,530,277,569	16,501,270	3,517,440	20,018,710	1,550,296,279
Add/(Less): Loss for the quarter	-	-	1,627,452	-	1,627,452	-	-	-	1,627,452
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-
Add: Employee stock option expenses	-	-	-	8,833,871	8,833,871	-	-	-	8,833,871
Add/(Less): Issue of shares under ESOP scheme	11,534,900	-	-	(11,534,900)	-	-	-	-	-
Add/(Less): Ind AS adjustments	-	-	16,501,270	-	-	(16,501,270)	1,557,974	(14,943,296)	1,557,974
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-
Total comprehensive income as at March 31 2019	1,489,474,620	6,339,532	51,470,759	9,955,251	1,557,240,162	-	5,075,414	5,075,414	1,562,315,576
Add/(Less): Loss for the Year	-	-	441,920	-	441,920	-	-	-	441,920
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-
Add: Employee stock option expenses	-	-	-	3,352,589	3,352,589	-	-	-	3,352,589
Add/(Less): Issue of shares under ESOP scheme	-	-	-	-	-	-	-	-	-
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	690,806	690,806	690,806
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-
Total comprehensive income as at March 31 2020	1,489,474,620	6,339,532	51,912,680	13,307,840	1,561,034,672	-	5,766,220	5,766,220	1,566,800,892

* Ind-AS Reclassification

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Non- Current Liabilities		
16 Borrowings:		
I) Secured loans:		
a. Loan from Banks/Financial institutions	94,187,584	114,012,217
Less: Current maturities on loan from banks	49,267,087	30,939,004
Total Borrowings	44,920,497	83,073,213
II) a) Deferred Payment Liabilities	-	-
Less: Current maturities	-	-
Total Borrowings	44,920,497	83,073,213
1) Details of security for secured loans:		
Vehicle Loan from bank / financial institution secured against the hypothecation of the respective vehicles purchased	6,687,584	4,012,217
Term loan from Financial Institution is secured against immovable property and second charge on moveable assets and personal guarantee by Promoter Directors.	87,500,000	110,000,000
2) Terms of repayment of term loans and others;		
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.	-	-
ii) Term Loan carries floating interest rate linked to SBI -3 year MCLR rate.	-	-
3) Period and amount of continuing default as on Balance sheet date		
i) In respect of Loan repayment and Interest:	-	-
Particulars	Amount in Rs.	Amount in Rs.
Term Loans		
- from Banks	-	-
- from Others	-	-

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars		As at March 31, 2020	As at March 31, 2019
Non - Current Liabilities			
17. Other Financial Liabilities:			
a)	Refundable Security deposits from Lessee	10,756,910	10,291,550
b)	Deferred Rental expense	-	-
Total		10,756,910	10,291,550
18. Provisions:			
a)	For employee defined benefit plans	14,128,108	11,336,264
b)	For employee compensatory absences	6,092,900	5,138,693
Total		20,221,008	16,474,957
Current Liabilities			
19. Trade payables:			
a)	Total outstanding dues of micro and small enterprises	-	-
b)	Total outstanding dues other than micro and small enterprises	149,059,016	142,313,429
Total		149,059,016	142,313,429
Additional Information:			
The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:			
SI No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Principal amount due and remaining unpaid	-	-
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.	-	-
Also refer Note No. 45 in this regard.			
20. Other Financial Liabilities:			
a)	Current maturities of secured loan from bank	49,267,087	30,939,004
b)	Advance from customers	16,838,290	15,475,075
c)	Others	500,000	500,000
Total		66,605,377	46,914,079

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
21. Provisions:		
a) Provision for short term compensated absences	871,031	734,619
b) Provision for Gratuity	2,057,127	1,650,620
Total	2,928,158	2,385,239
22. Other current liabilities:		
a) Accrued Expenses and other liabilities	30,053,579	28,536,877
b) Statutory Dues	2,693,050	2,977,718
c) Deferred Income	2,849,610	2,673,477
Total	35,596,239	34,188,072
23. Current Tax Liabilities (Net):		
a) Provision for tax (net of advance tax)	1,941,779	3,663,839
Total	1,941,779	3,663,839
24. Revenue from operations:		
a) Software Sales & Services:		
- Domestic	9,918,861	16,173,039
- Exports	240,325,467	242,047,691
Total	250,244,328	258,220,730
25 Other income:		
a) Interest Income	334,112	52,512
b) Maintenance Charges Income	2,001,012	2,229,739
c) Miscellaneous Income	4,056,642	7,479,902
d) Profit on sale of Assets	344,894	-
e) Rental Income	9,083,796	8,361,074
f) Foreign Exchange Gain	5,572,847	4,054,368
g) Interest income on rent deposits paid	273,469	234,488
h) Amortisation of deferred interest income on Rent deposit received	-	499,973
Total	21,666,772	22,912,056
26. Cost of Purchase:		
a) Custom Duty	4,440	-
b) Cost of Purchase for Resale	4,266,477	7,226,472
Total	4,270,917	7,226,472
27. Changes in inventories of stock in trade:		
Stocks at the end of the year		
a) Trading goods		
Stock in Trade	495,402	509,377
Total	495,402	509,377
Less: Stocks at the beginning of the year		
a) Trading goods		
Stock in Trade	509,377	52,577
Total	509,377	52,577
Total	13,975	(456,800)

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
28. Employee benefit expenses:		
a) Salaries , wages and bonus	163,428,992	149,451,830
b) Contribution to provident and other funds	6,711,350	5,076,697
c) Gratuity	4,328,280	2,584,326
d) Staff welfare expenses	4,115,540	4,391,635
e) Reclassification of Actuarial gains/ losses	690,806	1,557,974
f) Employee stock option expenses	3,352,589	8,833,871
Total	182,627,557	171,896,333
29. Finance costs:		
a) Interest expense	9,549,919	13,608,267
Total	9,549,919	13,608,267
30. Depreciation and amortization:		
a) Depreciation	6,018,590	6,252,619
b) Amortization of intangible assets	14,893,102	20,000,834
Total	20,911,691	26,253,453
31. Other expenses:		
a) Advertisement Expenses	195,520	391,350
b) Payment to auditors		
- as auditor	300,000	300,000
- for taxation and other matters	100,000	100,000
c) Bank Charges	665,091	127,290
d) Bad Debts Written-Off	299,790	5,532
e) Business Promotion Charges	1,381,524	2,415,445
f) Postage and Communication Expenses	3,905,749	3,532,853
g) Hire charges	1,121,285	1,323,108
h) Insurance	258,632	252,092
i) Listing Fees	653,853	642,387
j) Miscellaneous Expenses	398,937	463,600
k) Office Expenses	969,634	1,054,467
l) Power & Fuel	4,847,478	3,860,085
m) Printing & Stationery	412,798	432,883
n) Professional Fees	3,235,663	5,423,783
o) Rates & Taxes	1,830,286	909,254
p) Rent	9,399,670	9,710,020
q) Repairs & Maintenance Buildings	643,525	1,168,417
r) Repairs & Maintenance Others	1,921,982	3,697,192
s) Security Charges	986,004	878,377
t) Sitting fees	1,200,000	760,000
u) Travelling & Conveyance	9,732,676	14,570,142
v) Vehicle Maintenance	1,333,881	1,743,133
w) Water charges	172,317	130,252
x) Amortisation of deferred interest on Rent deposit paid	329,762	194,748
y) Interest Expenses on rent deposits received	-	532,051
Total	46,296,057	54,618,462

Notes to Financial Statements

For the Year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
32. Additional Information:		
a) Value of Imports calculated on CIF basis:		
i) Purchases of Stock in Trade	1,615,759	3,221,996
ii) Capital goods	-	-
b) Expenditure in foreign currency: (net of withholding tax)		
i) Purchases	1,615,759	3,221,996
ii) Foreign travel	4,759,193	7,279,029
c) Details of non-resident shareholdings		
i) Number of nonresident share holders	124	151
ii) Number of shares held by nonresident shareholders	363,422	485,712
iii) Amount remitted during the year in foreign currency on account of dividends	-	-
d) Earnings in foreign exchange:		
i) Software Exports & Consultancy	240,325,467	242,047,691
33. 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	441,920	1,627,452
Weighted average number of equity shares	13,067,173	12,894,848
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	0.03	0.13
(b) After exceptional item		
Profit for the year after tax expense	441,920	1,627,452
Add: Preference dividend payable including dividend tax	-	-
Total	441,920	1,627,452
Weighted average number of equity shares	13,067,173	12,894,848
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	0.03	0.13
(*) Effect of potential equity shares is antidilutive		

Notes to Financial Statements

For the Year ended March 31, 2020

34. 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: (Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Employer's contribution to provident & pension funds	6,711,350	5,076,697

(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.

(₹ In lakhs)

1. Reconciliation of opening and closing balances of defined benefit obligation:	March 31, 2020		March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation at beginning of the year	129.88	58.73	109.97	49.14
Current Service Cost (*)	27.00	-	33.20	-
Interest Cost	9.38	3.69	8.23	3.36
Actuarial (gain)/ loss	6.91	26.44	(15.58)	17.17
Benefits Paid	(11.30)	(19.23)	(5.94)	(10.94)
Defined Benefit obligation at end of the year	161.86	69.64	129.88	58.73
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	161.86	69.64	129.88	58.73
Amount recognized in Balance Sheet under liabilities:	161.86	69.64	129.88	58.73
Expense recognized during the year: (under “Note 31” “Employee Benefit Expenses” in the Statement of Profit and Loss)	March 31, 2020		March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
In Income Statement:				
Current Service Cost	27.00	-	33.20	-
Interest Cost	9.38	3.69	8.23	3.36
Expected return on plan assets	-	-	-	-
In Other Comprehensive Income:				
Actuarial (gain)/ loss	6.91	26.44	(15.58)	17.17
Net Cost	43.28	30.13	25.85	20.53
Actuarial assumptions:	March 31, 2020		March 31, 2019	
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)	6.61%	6.59%	7.55%	7.51%
Expected rate of return on plan assets (per annum)	7.00%	7.00%	7.00%	7.00%

(*) 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.

Notes to Financial Statements

For the Year ended March 31, 2020

(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.

(₹ In lakhs)

Particulars	March 31,2020		March 31,2019	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 1.0%)	168.62	155.56	135.01	125.07
Change in rate of salary increase (delta effect of +/- 1.0%)	156.19	167.84	125.63	134.39
Change in rate of Mortality (delta effect of +/- 0.5%)	161.84	161.86	129.85	129.89
Change in rate of Attrition (delta effect of +/- 0.5%)	162.02	161.69	129.70	130.03

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 Financial Statements

For the Year ended March 31, 2020

35. 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

(₹ In lakhs)		
Particulars	March 31, 2020	March 31, 2019
Revenue:		
Export *	2,403.25	2,420.48
Domestic *	99.19	161.73
Net Income from Operations	2,502.44	2582.21
Add: Income from Exceptional Items/Other Income	216.67	229.12
Profit before Depreciation/Tax/Interest/Amortization :		
-from Exports	253.16	405.11
-from Domestic*	(76.15)	(154.48)
Income from Exceptional Items/Other Income	216.67	229.12
Total	393.68	479.75
Less: (1) Interest	102.15	137.36
(2) Other Unallocated Expenses	-	-
(3) Depreciation/Amortization	209.12	262.53
Profit Before Taxation	82.41	79.86

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.

36. 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	Wholly Owned subsidiary
2	Izmo France,SARL Frog data LLC Groupe IZMO	Step down subsidiary
3	Mrs. Shashi Soni Mr. Sanjay Soni Mrs. Kiran Soni Mr. Danish Reza	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 Si2 Microsystems Private Limited,India D’Gipro Systems Private Limited Hughes Precision Manufacturing Pvt Ltd	Enterprises over which key management personnel and their relatives are able to exercise significant influence

Notes to Financial Statements

For the Year ended March 31, 2020

(b) Transactions with the related parties

(₹ in Lakhs)

Particulars	Relationship	Current Year	Previous Year
Purchase of goods and services/Reimbursements:			
Si2 Microsystems Private Limited,India	Enterprises over which KMP and their relatives are able to exercise significant influence	15.65	10.28
Hughes Precision Manufacturing Pvt Ltd		13.45	-
Software Sales & Service Exports			
Izmo Inc,USA	Wholly Owned Subsidiary	-	-
Midrange Software Pte Ltd,Singapore	Wholly Owned Subsidiary	-	-
Rental Income			
Si2 Microsystems Private Limited,India	Enterprises over which KMP and their relatives are able to exercise significant influence	35.76	33.43
Hughes Precision Manufacturing Pvt Ltd		10.66	-
Remuneration paid:			
Mrs. Shashi Soni	KMP	15.00	15.00
Mr. Sanjay Soni	KMP	72.00	60.00
Mrs. Kiran Soni	KMP	30.00	30.00
Mr.Suraj Kumar Sahu	KMP	3.55	6.03
Mr. Danish Reza	KMP	1.01	-

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

(₹ in Lakhs)

Particulars	Relationship	As at March 31, 2020	As at March 31, 2019
Midrange Software Pte Ltd,Singapore*	Wholly Owned Subsidiary	(166.82)	(153.42)
Izmo Inc,USA (Receivable)		33.07	113.35
Izmo Inc, USA (Payable)		(1,385.22)	(1,271.02)
Homestar LLC		(15.70)	(14.41)
Si2 Microsystems Private Limited,India *	Enterprises over which key management personnel and their relatives are able to exercise significant influence	103.51	(42.01)
Hughes Precision Manufacturing Pvt Ltd		5.31	-

* Negative figure denotes Credit balance

37. 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. 93,99,670/- (Previous Year Rs. 97,10,020/-).

The details of minimum future rental payable towards non-cancelable lease agreements are as under:

(Amount in Rs.)

Particulars	March 31,2020	March 31,2019
Payable not later than year	13,600,664	9,233,926
Later than one year and not less than five years	69,083,704	42,510,393

Notes to Financial Statements

For the Year ended March 31, 2020

38. 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, 2020 and March 31, 2019:

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.

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, 2020 and March 31, 2019 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, 2020 are as under:

Particulars	As at March 31, 2020		As at March 31, 2019	
	FCY	₹ in Lakhs	FCY	₹ in Lakhs
Assets (Receivables)	\$2,903,336.42	2,189.66	\$3,623,332.97	2,506.31
Liabilities (Payables)	€ 23,927.03		€ 23,927.03	
	\$2,058,674.53	1,571.82	\$2,085,093.96	1416.83

Foreign currency sensitivity:

(Rs. in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Changes in FCY Rate by:		Changes in FCY Rate by:	
	1.00%	-1.00%	1.00%	-1.00%
Effect on Profit before tax	6.18	-6.18	10.89	-10.89

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, 2020

39. 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, 2020	March 31, 2019
Financial Assets at amortized cost:		
Investments	1,600,938,496	1,600,938,496
Trade Receivables	223,475,018	252,612,523
Other Financial Assets	64,382,554	49,810,717
Cash & cash equivalents	20,094,085	489,748
Other Bank Balances	-	-
Total Financial Assets	1,908,890,153	1,903,851,484
Financial Liabilities at amortized cost:		
Borrowings	44,920,497	83,073,213
Other Financial Liabilities	77,362,287	57,205,629
Trade Payables	149,059,016	142,313,429
Total Financial Liabilities	271,341,800	282,592,271

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.

40. 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, 2019 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-20	31-Mar-19
i)	Employee Stock Options Expenses	3,352,589	8,833,871
	Total	3,352,589	8,833,871

41. Managerial Remuneration

SI No	Particulars	31-Mar-20	31-Mar-19
i)	Salary and allowances	8,185,920	7,068,000
ii)	Contribution to Provident fund	514,080	432,000
	Total	8,700,000	7,500,000

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.72.00 Lakhs paid to the managing director in accordance with the limits approved by the shareholders at the AGM held on 25th September 2019.

Notes to Financial Statements

For the Year ended March 31, 2020

42. Commitments

(Amount in Rs.)

SI No	Particulars	March 31, 2020	March 31, 2019
i)	Warranty Costs on Software Sale	Not Quantified	Not Quantified
ii)	On account of Capital expenditure		
	a) Software under development	22,500,000	10,000,000
	b) Acquisition of immovable properties	56,200,000	56,200,000

43. Contingent Liabilities (to the extent of which not provided for)

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Money for which the company is contingently liable:	-	-
Bank Guarantee*	172,000	182,000
*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	AO to give effect to the ITAT order; The Company is in the process of filing appeal before the HC
Income-tax Act, 1961	Transfer pricing	30,910,300	-	2011-12	AO to give effect to the ITAT order; The Company is in the process of filing appeal before the HC
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)
Karnataka Value Added Tax Act, 2003	CST	389,511	389,511	FY 2010-11	KAT

44. a) Sundry Debtors includes the following amounts in respect of dues from Subsidiaries:

(Rupees in Lakhs.)

Particulars	March 31, 2020		March 31, 2019	
	Closing Balance	Maximum Balance during the year	Closing Balance	Maximum Balance during the year
Izmo Inc.	33.07	114.44	113.35	2067.43

- b) Sundry Debtors includes a sum of Rs. 2.51 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 2020-21.
- c) Sundry Debtors more than 180 days is computed from the date it is due for payment.

Notes to Financial Statements

For the Year ended March 31, 2020

- 45** Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 2, 2006, the company is required to make certain disclosure relating to Micro, Small and Small and Medium Enterprises. The company is in the process of compiling and assimilating the relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosure have been made in the Accounts.
- 46** The Company has filed an appeal before CIT (A) against the Income tax assessment orders passed for the AY 2017-18, which is pending disposal as on Balance sheet date and also in the process of filing its appeal before the Honourable High Court Of Karnataka against order of the ITAT for the AY 2010-11 & AY 2011-12.
- 47** **“Impact of COVID-19 on Business:**
The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.”
- 48** Ind AS 116 Leases: The Company has different lease rental contracts which comes under the purview of IND AS 116- Leases. However the management is of the opinion that impact on the Company’s financial statements is not material.
- 49** Balances of Sundry Debtors, Loans & Advances are subject to reconciliation and confirmation.
- 50** All figures have been rounded-off to the nearest Rupee. 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

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

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, 2020, 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, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

I have reviewed but not Audited the Financial Statements / financial Information of the subsidiaries incorporated outside India. The Consolidated Financial statements are as furnished and certified by the Management reflecting total net worth of Rs. 208.91 Crores as at 31st March 2020 and total revenue from operations of Rs. 101.21 Crores for the year ended. The Financial Statements of subsidiaries incorporated outside India are unaudited and have been certified by the 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) Adoption of Ind AS 115 – Revenue from Contracts with customers

As described in Note 2(f) to the Consolidated financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.

1(b) Auditor's Response

My audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include –

- Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;
- Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;

Independent Auditor's Report To the Members of Izmo Limited

- Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;
- Evaluated the cumulative effect adjustments as at 1 April 2019 for compliance with the new revenue standard; and
- Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.

I have reviewed but not Audited the Financial Statements of Subsidiaries incorporated outside India and unable to comment on adoption of IND AS 115 with respect to financial statements of subsidiaries incorporated outside India.

2(a) Accuracy of revenues and onerous obligations in respect of fixed-price contracts involves critical estimates.

Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. The estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.

Refer Notes 2(f) and 23 to the Consolidated Financial Statements.

2(b) Auditor's Response

The Company has majority of Time and Material Contracts, where the revenue is determined based on the Milestones defined in the contracts based on Purchase Order.

I have verified the Contracts with the purchase order and are in line with the requirements.

My audit approach was a combination of test of internal controls and substantive procedures which included the following :

- Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.

- Tested the access and application controls pertaining to time recording, allocation and which prevents unauthorized changes to recording of efforts incurred.
- Selected a sample of contracts and through inspection of evidence of performance of these controls, tested operating effectiveness of the internal controls relating to efforts incurred and estimated.
- Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.

I have reviewed but not Audited the Financial Statements of Subsidiaries incorporated outside India and unable to comment on Accuracy of revenues and onerous obligations in respect of fixed-price contracts involves critical estimates with respect to financial statements of subsidiaries incorporated outside India.

3(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) & 42 to the Consolidated Financial Statements.

3(b) Auditor's Response

- Obtained details of completed tax assessments and demands for the year ended March 31, 2020 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.

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.

Independent Auditor's Report

To the Members of Izmo Limited

4(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 10 & 49 to the Consolidated Financial Statements.

4(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. 42 & 45 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.

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.

Independent Auditor's Report

To the Members of Izmo Limited

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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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.

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.

Independent Auditor's Report

To the Members of Izmo Limited

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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from my examination of those books;
 - 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, 2020 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, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls 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.
 - g) 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 our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

CA Guru Prakash V

Chartered Accountant

M. No: 228938

Place: Bangalore

Date: 29th June 2020

UDIN: 20228938AAAABC2401

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, 2020, 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.

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

Annexure - A to the Auditors' Report

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, 2020, 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.

CA Guru Prakash V

Chartered Accountant

M. No.: 228938

Place: Bangalore

Date: 29th June 2020

UDIN: 20228938AAAABC2401

Consolidated Balance Sheet

as at March 31, 2020

(Amount in Rs.)

Particulars		Note No.	As at March 31, 2020	As at March 31, 2019
I.	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	3	25,727,521	25,135,790
	(b) Capital work-in-progress	4	44,769,210	30,517,746
	(c) Investment Property	5	19,453,375	20,534,447
	(d) Other Intangible assets	6	2,078,302,564	1,887,241,063
	(e) Deferred tax assets	7	5,134,557	10,503,200
	(f) Other non-current assets	8	59,815,174	60,316,188
	Total Non-current assets		2,233,202,402	2,034,248,434
	Current assets			
	(a) Inventories	9	495,402	509,377
	(b) Financial assets			
	(i) Trade receivables	10	457,247,516	402,763,139
	(ii) Cash and cash equivalents	11	36,208,266	28,118,802
	(iii) Other financial assets	12	137,914,064	208,931,306
	Total Current assets		631,865,247	640,322,624
	TOTAL ASSETS		2,865,067,648	2,674,571,058
I.	EQUITY AND LIABILITIES			
	Shareholders' funds			
	(a) Share capital	13	130,671,730	130,671,730
	(b) Other equity	14	1,958,412,964	1,842,849,952
	TOTAL EQUITY		2,089,084,694	1,973,521,682
II.	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	44,920,497	83,073,213
	(ii) Other financial liabilities	16	10,756,910	10,291,550
	(b) Provisions	17	20,221,008	16,474,957
	Total Non current liabilities		75,898,415	109,839,720
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	(i) micro and small enterprises, and	18	-	-
	(ii) other than micro and small enterprises	18	410,742,142	351,829,491
	(ii) Other Financial Liabilities	19	500,000	500,000
	(b) Provisions	20	2,928,158	2,385,239
	(c) Other current liabilities	21	283,972,460	232,831,087
	(d) Current Tax Liabilities (Net)	22	1,941,780	3,663,840
	Total Current liabilities		700,084,540	591,209,656
	TOTAL EQUITY AND LIABILITIES		2,865,067,648	2,674,571,058

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Consolidated Statement of Profit and Loss

For the year ended March 31, 2020

(Amount in Rs.)

	Particulars	Note No.	Current Year		Previous Year	
I	Revenue from operations	23		1,012,105,303		921,652,489
II	Other income	24		84,727,121		39,503,978
III	Total Income (I + II)			1,096,832,424		961,156,467
IV	Expenses:					
	Purchases of stock in trade	25	4,270,917		7,226,472	
	Changes in inventories of finished goods, work in progress and Stock-in-Trade	26	13,975		(456,800)	
				4,284,892		6,769,672
	Employee benefits expense	27		441,879,071		381,594,233
	Finance costs	28		10,396,014		13,798,524
	Depreciation and amortization expense	29		156,151,565		151,694,965
	Other expenses	30		364,802,201		333,299,510
	Total expenses			977,513,743		887,156,904
V	Profit before exceptional items and tax (III-IV)			119,318,681		73,999,563
VI	Exceptional Items	31		-		-
VII	Profit before tax (V-VI)			119,318,681		73,999,563
VIII	Tax expense:					
	Current tax		2,430,421		3,663,839	
	MAT Credit		-		(3,491,143)	
	Deferred tax		5,368,643	7,799,064	6,186,451	6,359,147
IX	Profit for the year from continuing operations (VII - VIII)			111,519,617		67,640,416
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			111,519,617		67,640,416
XIV	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	a) Remeasurements of the defined benefit plans		690,806		1,557,974	
	b) Taxes on above		-		-	
	(ii) Items that may be reclassified to profit or loss					
	a) Mark to Market of Investments		-		-	
	b) Taxes on above		-	690,806	-	1,557,974
XV	Total Comprehensive Income for the year (XIII + XIV)			112,210,423		69,198,390
XVI	Earning per equity share before exceptional item:	33		8.53		5.25
	Basic & diluted (in ₹)					
	Earning per equity share after exceptional item:	33		8.53		5.25
	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

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Consolidated Cash Flow Statement

For the year ended March 31, 2020

(Amount in Rs.)

	Particulars	March 31, 2020	March 31, 2019
A.	Cash Flow from Operating Activities		
	Net Profit Before Taxation	120,009,487	75,557,537
	Adjustments for:		
	Depreciation	156,151,565	151,694,965
	Interest Expense	10,396,014	13,798,524
	Interest Income	(334,112)	(52,512)
	Profit / (Loss) on investments	(826,263)	-
	Rental Income	(9,083,796)	(8,361,074)
	Profit on Sale of Assets	(344,894)	-
	Employee stock option expenses	3,352,589	8,833,871
	Changes in fair value of financial assets at fair value through profit / loss	329,762	726,799
	Amortisation of deferred interest income on Rent deposit received	-	(499,973)
	Interest income on rent deposits paid	(273,469)	(234,488)
	Operating Profit Before Working Capital Changes	279,376,883	241,463,649
	Movements in Working Capital :		
	(Increase)/Decrease in Trade Receivables	(54,484,377)	(227,950,503)
	(Increase)/Decrease in Inventories	13,975	(456,800)
	(Increase)/Decrease in short term Loans and Advances	71,461,963	(41,150,358)
	Increase/(Decrease) in Current Liabilities and Provisions	113,086,296	345,941,688
	Cash Generated from Operations	409,454,739	317,847,675
	Direct Taxes paid (Net of Refunds)	(2,430,421)	(3,663,839)
	MAT Credit	-	3,491,143
	Net cash from Operating Activities	407,024,318	317,674,979
B	Cash Flows from Investing Activities		
	Purchase of Fixed Assets	(346,809,915)	(295,149,460)
	Capital Work-in-Progress	(14,251,464)	(10,647,278)
	Proceeds from Sale of Fixed Assets	431,083	274,636
	Rental Income	9,083,796	8,361,074
	Profit on Sale of Investements	826,263	-
	Interest Received	334,112	52,512
C	Net cash used in Investing Activities	(350,386,125)	(297,108,515)
	Cash Flows from Financing Activities		
	Repayment of Long Term Borrowings	(38,152,716)	(28,090,004)
	Proceeds from issue of equity share capital (net of expenses)	-	2,455,000
	Interest paid	(10,396,014)	(13,798,524)
	Net Cash used in Financing Activities	(48,548,730)	(39,433,528)
	Net increase in Cash and Cash Equivalents (A + B + C)	8,089,463	(18,867,064)
	Cash and Cash Equivalents at the Beginning of the Year	28,118,802	46,985,866
	Cash and Cash Equivalents at the End of the Year	36,208,266	28,118,802
	Components of Cash and Cash Equivalents	March 31, 2020	March 31, 2019
	Balances with Scheduled Banks		
	- In Other accounts	36,118,644	28,041,277
	Cash on Hand	89,621	77,525
		36,208,266	28,118,802

for and on behalf of the Board

As per my Report of even date

Sanjay Soni
Managing Director
DIN: 00609097

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore

Date: 29th June, 2020

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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%

*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 31.03.2020.

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 to 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

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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 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,

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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 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

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

- 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.

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.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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.

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.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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.

(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.

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, 2020

3. Property plant and equipment: Tangible assets

(Amount in Rs.)

Particulars	Land	Building	Computers	Plant & Machinery	Office equipments	Electrical Installations	Furniture and fittings	Leasehold Improvements	Motor vehicles	Total
Gross block:										
Balance as at 01 April 2018	4,674,279	-	55,100,445	7,051,808	82,109,997	9,143,445	12,083,161	17,290,093	15,421,095	202,874,323
Additions	-	-	1,846,967	-	1,614,727	224,070	3,068,607	-	3,614,646	10,369,017
Disposals	-	-	262,366	-	-	-	-	-	12,270	274,636
Balance as at 31 March 2019	4,674,279	-	56,685,046	7,051,808	83,724,724	9,367,515	15,151,768	17,290,093	19,023,471	212,968,704
Additions	-	-	4,228,991	51,000	1,057,533	837,214	150,242	-	2,482,230	8,807,210
Disposals	-	-	-	-	-	105,000	-	-	4,280,000	4,385,000
Balance as at 31 March 2020	4,674,279	-	60,914,037	7,102,808	84,782,257	10,099,729	15,302,010	17,290,093	17,225,701	217,390,914
Accumulated depreciation:										
Balance as at 01 April 2018	-	-	49,535,285	6,951,977	78,527,766	6,842,022	9,752,733	16,678,586	10,261,826	178,550,194
Depreciation charge for the year	-	-	3,598,212	14,866	3,098,965	436,489	597,314	382,268	1,154,606	9,282,721
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	-	-	53,133,496	6,966,843	81,626,731	7,278,511	10,350,047	17,060,854	11,416,432	187,832,914
Depreciation charge for the year	-	-	2,762,208	19,856	2,322,713	440,898	920,021	49,701	1,613,893	8,129,290
Disposals	-	-	-	-	-	18,811	-	-	4,280,000	4,298,811
Balance as at 31 March 2020	-	-	55,895,705	6,986,699	83,949,445	7,700,598	11,270,068	17,110,554	8,750,325	191,663,393
Net block:										
Balance as at 31 March 2019	4,674,279	-	3,551,550	84,965	2,097,993	2,089,004	4,801,721	229,239	7,607,039	25,135,790
Balance as at 31 March 2020	4,674,279	-	5,018,332	116,109	832,813	2,399,131	4,031,941	179,539	8,475,377	25,727,521

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.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

	Particulars	As at March 31, 2020	As at March 31, 2019
4.	Intangible Assets under development:		
	a) Software	44,769,210	30,517,746
	Total	44,769,210	30,517,746

5. Investment Property

(Amount in Rs.)

Particulars	Building at Whitefield
Gross block:	
Balance as at 01 April 2018	61,484,949
Additions	-
Balance as at 31 March 2019	61,484,949
Additions	-
Balance as at 31 March 2020	61,484,949
Accumulated depreciation:	
Balance as at 01 April 2018	39,489,654
Amortisation charge for the year	1,460,848
Balance as at 31 March 2019	40,950,502
Amortisation charge for the year	1,081,072
Balance as at 31 March 2020	42,031,574
Net block:	
Balance as at 31 March 2019	20,534,447
Balance as at 31 March 2020	19,453,375

Fair market value of Building at Rs. 286,550,000/- 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 the respective dates.

6. Other Intangible Assets

(Amount in Rs.)

Particulars	Computer software	Technical Know-how	Intellectual property	Misc Expenditure	Total
Gross block:					
Balance as at 01 April 2018	226,133,925	2,414,107,503	217,427,487	30,701,226	2,888,370,141
Additions	67,709,084	217,071,358	-	-	284,780,442
Balance as at 31 March 2019	293,843,010	2,631,178,861	217,427,487	30,701,226	3,173,150,584
Additions	59,886,462	277,317,413	798,830	-	338,002,705
Disposals	61,286,618	-	-	-	61,286,618
Balance as at 31 March 2020	292,442,853	2,908,496,274	218,226,317	30,701,226	3,449,866,670
Accumulated amortisation:					
Balance as at 01 April 2018	134,839,128	761,990,282	217,427,487	30,701,226	1,144,958,124
Amortisation charge for the year	79,254,632	61,696,765	-	-	140,951,397
Balance as at 31 March 2019	214,093,760	823,687,047	217,427,487	30,701,226	1,285,909,521
Amortisation charge for the year	74,434,995	72,506,209	-	-	146,941,204
Disposals	61,286,618	-	-	-	61,286,618
Balance as at 31 March 2020	227,242,137	896,193,256	217,427,487	30,701,226	1,371,564,106
Net block:					
Balance as at 31 March 2019	79,749,249	1,807,491,814	-	-	1,887,241,063
Balance as at 31 March 2020	65,200,716	2,012,303,018	798,830	-	2,078,302,564

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
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)	5,134,557	10,503,200
ii) On account of timing differences in recognition of expenditure	-	-
Total	5,134,557	10,503,200
Net Deferred tax (liability)/asset	5,134,557	10,503,200
8. Other non current assets:		
(unsecured and considered good)		
a) Balances with revenue authorities	18,852,175	18,641,521
b) Advance payment of tax (net)	14,982,295	17,663,148
c) Capital advances	11,725,000	11,725,000
d) Security deposits	10,260,470	10,085,537
e) Security deposits- Others	1,698,202	1,815,793
f) Deferred Income - Rental Deposit	2,297,032	385,188
	59,815,174	60,316,188
Less: Allowance for bad and doubtful receivables	-	-
Total	59,815,174	60,316,188

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs)

Particulars	As at March 31, 2020	As at March 31, 2019
9. Inventories:		
a) Finished goods	495,402	509,377
Total	495,402	509,377
10. Trade receivables:		
a) Trade receivables exceeding six months	32,103,735	62,263,701
b) others	425,143,781	340,499,438
Total	457,247,516	402,763,139
Less: Allowance for doubtful receivables exceeding six months	-	-
Total	457,247,516	402,763,139
Additional information:		
1) Breakup of above:		
a) Secured, considered good	-	-
b) Unsecured, considered good	457,247,516	402,763,139
c) Doubtful	-	-
Total	457,247,516	402,763,139
Less: Allowance for doubtful receivables exceeding six months	-	-
Total	457,247,516	402,763,139
2) 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	-	-
11. Cash and Cash Equivalents:		
a) Balances with banks		
- in other accounts	36,118,644	28,041,277
b) Cash on hand	89,621	77,525
Total	36,208,266	28,118,802
12. Other Financial Assets:		
a) Loans and advances	127,196,976	160,493,948
b) Others	10,717,087	48,437,358
Total	137,914,064	208,931,306
Less: Allowance for doubtful advances for advance paid to suppliers and others	-	-
Total	137,914,064	208,931,306
Additional information:		
1) Breakup of above:		
a) Secured, considered good	-	-
b) Unsecured, considered good	137,914,064	208,931,306
c) Doubtful	-	-
Total	137,914,064	208,931,306
Less: Allowance for doubtful advances for advance paid to suppliers and others	-	-
Total	137,914,064	208,931,306
2) 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	1,183,360	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars		As at March 31, 2020		As at March 31, 2019	
		Nos.	Amt in Rs.	Nos.	Amt in Rs.
13.	Share capital:				
	Authorized: (*)				
	Equity shares of Rs. 10/- each	18,000,000	180,000,000	18,000,000	180,000,000
		18,000,000	180,000,000	18,000,000	180,000,000
	Issued, subscribed and fully paid up:				
	Equity shares of Rs.10/- each				
	At the beginning of the year	13,067,173	130,671,730	12,821,673	128,216,730
	Issued during the year				
	- by way of conversion of loan into fully paid up equity shares	-	-	-	-
	- by way of Employee Stock Options	-	-	245,500	2,455,000
	At the end of the year	13,067,173	130,671,730	13,067,173	130,671,730
	Total carried to Balance Sheet		130,671,730		130,671,730

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

Particulars		As at March 31, 2020		As at March 31, 2019	
		Number	Percentage	Number	Percentage
(i)	Sanjay Soni	2,764,613	21.16%	2,764,613	21.16%
(ii)	Shashi Soni	687,787	5.26%	687,787	5.26%

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, 2020	As at March 31, 2019
	Shares issued upon conversion of borrowings (No. of Shares)	-	-

Notes to Consolidated Financial Statements

For the year Ended March 31, 2020

14. Other Equity

Particulars	Other Equity						Other Comprehensive Income			Total Other equity	
	Share premium	General Reserve	Retained earnings	ESOP outstanding Account	Total (A)	Items that will be reclassified to profit or loss	Mark to Market of Investment	Actuarial gains/(losses) of employee benefits	Items that will not be reclassified to profit or loss		Total(B)
As at April 01 2018	1,477,939,720	6,339,532	248,085,337	12,434,392	1,744,798,981	16,501,269	3,517,440	20,018,709	1,764,817,690		
Add/(Less): Profit for the year	-	-	67,640,416	-	67,640,416	-	-	-	67,640,416		
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-		
Add/(Less): On account of ESOP	11,534,900	-	-	(11,534,900)	-	-	-	-	-		
Add/(Less): Ind AS adjustments	-	-	16501269	8,833,871	25,335,140	(16,501,269)	1,557,974	(14,943,295)	10,391,845		
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-		
Total as at March 31 2019	1,489,474,620	6,339,532	332,227,023	9,733,363	1,837,774,538	-	5,075,414	5,075,414	1,842,849,952		
Add/(Less): Profit for the year	-	-	111,519,617	-	111,519,617	-	-	-	111,519,617		
Add/(Less): On account of new issue	-	-	-	-	-	-	-	-	-		
Add/(Less): On account of ESOP	-	-	-	3,352,589	3,352,589	-	-	-	3,352,589		
Add/(Less): Ind AS adjustments *	-	-	-	-	-	-	690,806	690,806	690,806		
Less: Tax Adjustment on Ind AS items	-	-	-	-	-	-	-	-	-		
Total as at March 31 2020	1,489,474,620	6,339,532	443,746,640	13,085,952	1,952,646,744	-	5,766,220	5,766,220	1,958,412,964		

* Ind-AS Reclassification

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Non- Current Liabilities		
15. Borrowings:		
I) Secured loans:		
a. Loan from Banks/Financial institutions	94,187,584	114,012,217
Less: Current maturities on loan from banks	49,267,087	30,939,004
	44,920,497	83,073,213
II) Unsecured loans:		
a) Deferred Payment Liabilities	-	-
Less: Current maturities	-	-
Total Borrowings (I + II)	44,920,497	83,073,213
Additional information:		
1) Details of security for secured loans:		
Vehicle Loan from bank / financial institution secured against the hypothecation of the respective vehicles purchased	6,687,584	4,012,217
Term loan from Financial Institution is secured against immovable property and second charge on moveable assets and personal guarantee by Promoter Directors.	87,500,000	110,000,000
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.		
ii) Term Loan carries floating interest rate linked to SBI -3 year MCLR rate.		
3) Period and amount of continuing default as on Balance sheet date		
i) In respect of Loan repayment and Interest:		
	Amt. in Rs.	Amt. in Rs.
Term Loans		
- from Banks	-	-
- from Banks	-	-

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Non - Current Liabilities		
16. Other Financial Liabilities:		
a) Refundable Security deposits from Lessee	10,756,910	10,291,550
b) Deferred Rental expense	-	-
Total	10,756,910	10,291,550
17. Provisions:		
a) For employee defined benefit plans	14,128,108	11,336,264
b) For employee compensatory absences	6,092,900	5,138,693
Total	20,221,008	16,474,957

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Liabilities		
18. Trade payables:		
a) Total outstanding dues of micro and small enterprises Trade payables	-	-
b) Total outstanding dues of creditors other than micro and small enterprises Trade payables	410,742,142	351,829,491
Total	410,742,142	351,829,491

Additional Information:

The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

SI No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Principal amount due and remaining unpaid	-	-
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.	-	-
Also refer Note No. 43 in this regard.			
19. Other Financial Liabilities:			
a) Advance from customers	-	-	
b) Others	500,000	500,000	
Total	500,000	500,000	

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
20. Provisions:		
a) Provision for short term compensated absences	871,031	734,619
b) Provision for Gratuity	2,057,127	1,650,620
Total	2,928,158	2,385,239
21. Other current liabilities:		
a) Current maturities of secured loan from bank	49,267,087	30,939,004
b) Accrued Expenses and other liabilities	121,827,982	104,465,995
c) Statutory Dues	20,044,988	12,408,040
d) Deferred Income	92,832,403	85,018,048
Total	283,972,460	232,831,087
22. Current Tax Liabilities (Net):		
a) Provision for tax (net of advance tax outside India)	1,941,780	3,663,840
Total	1,941,780	3,663,840
23. Revenue from operations:		
a) Software Sales & Services:		
- Domestic	9,918,861	16,173,039
- Exports	1,002,186,442	905,479,450
Total	1,012,105,303	921,652,489
24. Other income:		
a) Interest Income	334,112	52,512
b) Maintenance Charges Income	2,001,012	2,229,739
c) Miscellaneous Income	54,366,467	11,923,962
d) Profit on sale of Assets	344,894	-
e) Profit on sale of Investment	826,263	-
f) Rental Income	9,083,796	8,361,074
g) Exchange fluctuation gain	17,497,108	16,202,230
h) Interest income on rent deposits paid	273,469	234,488
i) Amortisation of deferred interest income on Rent deposit received	-	499,973
Total	84,727,121	39,503,978
25. Cost of Purchase:		
a) Cost of Purchase for Resale	4,266,477	7,226,472
b) Custom Duty	4,440	-
Total	4,270,917	7,226,472
26. Changes in inventories of stock in trade:		
Stocks at the end of the year		
a) Trading goods		
Stock in Trade	495,402	509,377
Total	495,402	509,377
Less: Stocks at the beginning of the year		
a) Trading goods		
Stock in Trade	509,377	52,577
Total	509,377	52,577
Total	13,975	(456,800)

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
27. Employee benefit expenses:		
a) Salaries, wages and bonus	427,008,786	365,273,553
b) Contribution to provident and other funds	6,711,350	5,076,697
c) Employee stock option expenses	3,352,589	8,833,871
d) Staff welfare expenses	4,115,540	852,138
e) Reclassification of Actuarial gains/ losses	690,806	1,557,974
Total	441,879,071	381,594,233
28. Finance costs:		
a) Interest expense	10,396,014	13,798,524
b) Other borrowing costs	-	-
Total	10,396,014	13,798,524
29. Depreciation and amortization:		
a) Depreciation	83,645,356	10,743,568
b) Amortization of intangible assets	72,506,209	140,951,397
Total	156,151,565	151,694,965
30. Other expenses:		
a) Advertisement Expenses	17,356,530	2,567,683
b) Payment to auditors		
- as auditor	300,000	300,000
- for taxation matters	100,000	100,000
- for Certification and limited review	-	-
c) Bank Charges	2,331,605	856,986
d) Bad Debts Written-Off	760,796	5,540
e) Books & Periodicals	-	21,092
f) Business Promotion Charges	5,808,688	4,851,045
g) Commission on Sales	1,186,803	2,946,946
h) Consultancy Charges	184,952,633	185,650,063
i) Directors sitting fees	1,200,000	760,000
j) Entertainment Expenses	-	16,667
k) Insurance	3,910,748	2,112,260
l) Listing Fees	653,853	642,387
m) Membership & Subscription	21,712	257,472
n) Miscellaneous Expenses	1,400,746	1,214,367
o) Office Expenses	4,977,492	3,375,612
p) Postage and Communication expenses	8,905,596	6,084,213
q) Power & Fuel	5,019,795	3,990,337
r) Printing & Stationery	471,893	547,088
s) Professional Fees	54,797,345	50,672,221
t) Rates & Taxes	4,784,342	3,613,198
u) Rent	31,753,561	24,449,385
v) Repairs & Maintenance	3,789,333	6,588,046
w) Security Charges	1,001,541	883,532
x) Travelling & Conveyance	26,798,819	25,727,099
y) Vehicle Maintenance	1,622,022	3,786,099
z) Preliminary Exp W/off	566,587	553,370
aa) Amortisation of deferred interest on Rent deposit paid	329,762	194,748
ab) Interest Expenses on rent deposits received	-	532,051
Total	364,802,201	333,299,510

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
31. Exceptional Items		
a) Bad debts written off	-	-
b) Exceptional items- Loss on sale of Invest	-	-
Total	-	-
32. Additional Information:		
a) Value of Imports calculated on CIF basis:		
i) Purchases of Stock in Trade	1,615,759	3,221,996
ii) Capital goods	-	-
b) Expenditure in foreign currency: (net of withholding tax)		
i) Purchases	1,615,759	3,221,996
ii) Foreign travel	4,759,193	7,279,029
c) Details of non-resident shareholdings		
i) Number of nonresident share holders	124	151
ii) Number of shares held by nonresident shareholders	363,422	485,712
iii) Amount remitted during the year in foreign currency on account of dividends	-	-
d) Earnings in foreign exchange:		
i) Software Exports & Consultancy	1,002,186,442	905,479,450
33. 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	111,519,617	67,640,416
Weighted average number of equity shares	13,067,173	12,894,848
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	8.53	5.25
(b) After exceptional item		
Profit for the year after tax expense	111,519,617	67,640,416
Add: Preference dividend payable including dividend tax	-	-
Total	111,519,617	67,640,416
Weighted average number of equity shares	13,067,173	12,894,848
Paid up value per share	10.00	10.00
Earnings per share (basic & diluted) (*)	8.53	5.25
(*) Effect of potential equity shares is antidilutive		

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

34. 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: (Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Employer's contribution to provident & pension funds	6,711,350	5,076,697

(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.

(₹ In lakhs)

1. Reconciliation of opening and closing balances of defined benefit obligation:	March 31, 2020		March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation at beginning of the year	129.88	58.73	109.97	49.14
Current Service Cost (*)	27.00	-	33.20	-
Interest Cost	9.38	3.69	8.23	3.36
Actuarial (gain)/ loss	6.91	26.44	(15.58)	17.17
Benefits Paid	(11.30)	(19.23)	(5.94)	(10.94)
Defined Benefit obligation at end of the year	161.86	69.63	129.88	58.73
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	161.86	69.63	129.88	58.73
Amount recognized in Balance Sheet under liabilities:	161.86	69.63	129.88	58.73
Expense recognized during the year: (under "Note 28" "Employee Benefit Expenses" in the Statement of Profit and Loss)	March 31, 2020		March 31, 2019	
In Income Statement:				
Current Service Cost	27.00	-	33.20	-
Interest Cost	9.38	3.69	8.23	3.36
Expected return on plan assets	-	-	-	-
In Other Comprehensive Income:				
Actuarial (gain)/ loss	6.91	26.44	(15.58)	17.17
Net Cost	43.29	30.13	25.85	20.53
Actuarial assumptions:	March 31, 2020		March 31, 2019	
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)	6.61%	6.59%	7.55%	7.51%
Expected rate of return on plan assets (per annum)	7.00%	7.00%	7.00%	7.00%

(*) 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.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(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.

(₹ In lakhs)

Particulars	March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of +/- 1.0%)	168.62	155.56	135.01	125.07
Change in rate of salary increase (delta effect of +/- 1.0%)	156.19	167.84	125.63	134.39
Change in rate of Mortality (delta effect of +/- 0.5%)	161.84	161.86	129.85	129.89
Change in rate of Attrition (delta effect of +/- 0.5%)	162.02	161.69	129.70	130.03

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.

35. 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 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 Si2 Microsystems Private Limited, India Hughes Precision Manufacturing Pvt Ltd D'Gipro Systems Private Limited	Enterprises over which key management personnel and their relatives are able to exercise significant influence

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

(b) Transactions with the related parties

(₹ in Lakhs)

Particulars	Relationship	Current Year	Previous Year
Purchase of goods and services/reimbursement:			
Si2 Microsystems Private Limited, India	Enterprises over which KMP and their relatives are able to exercise significant influence	105.11	489.71
Hughes Precision Manufacturing Pvt Ltd		13.45	-
Rental Income:			
Si2 Microsystems Private Limited, India	Enterprises over which KMP and their relatives are able to exercise significant influence	35.76	33.43
Hughes Precision Manufacturing Pvt Ltd		10.66	-
Remuneration paid:			
Mrs. Shashi Soni	KMP	15.00	15.00
Mr. Sanjay Soni	KMP	72.00	60.00
Mrs. Kiran Soni	KMP	30.00	30.00
Mr. Suraj Kumar Sahu	KMP	3.55	6.03
Mr. Danish Reza	KMP	1.01	-

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

(₹ in Lakhs)

Particulars	Relationship	As at March 31, 2020	As at March 31, 2019
Si2 Microsystems Private Limited, India	Enterprises over which key management personnel and their relatives are able to exercise significant influence	11.83	(29.04)
Hughes Precision Manufacturing Pvt Ltd		5.31	-

36. 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 ₹ 2,44,49,385/- (Previous Year ₹ 2,15,49,380/-).

The details of minimum future rental payable towards non-cancelable lease agreements are as under:

Particulars	March 31, 2020	March 31, 2019
	(Rs.)	(Rs.)
Payable not later than year	13,600,664	9,233,926
Later than one year and not less than five years	69,083,704	42,510,393

37 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.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

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, 2020 and March 31, 2019 :

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, 2020 and March 31, 2019 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.

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 Consolidated Financial Statements

For the year ended March 31, 2020

38. 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:

(Amount in Rs.)

Particulars	March 31,2020	March 31,2019
Financial Assets at amortized cost:		
Investments	-	-
Trade Receivables	457,247,516	402,763,139
Other Financial Assets	137,914,064	208,931,306
Cash & cash equivalents	36,208,266	28,118,802
Total Financial Assets	631,369,845	639,813,247
Financial Liabilities at amortized cost:		
Borrowings	44,920,497	83,073,213
Other Financial Liabilities	11,256,910	10,791,550
Trade Payables	410,742,142	351,829,491
Total Financial Liabilities	466,919,549	445,694,254

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.

39 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, 2019 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:

(Amount in Rs.)

SI No	Particulars	March 31, 2020	March 31, 2019
i)	Employee Stock Options Expenses	3,352,589	8,833,871
	Total	3,352,589	8,833,871

40. Managerial Remuneration

(Amount in Rs.)

SI No	Particulars	March 31, 2020	March 31, 2019
i)	Salary and allowances	8,185,920	7,068,000
ii)	Contribution to Provident fund	514,080	432,000
	Total	8,700,000	7,500,000

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.72.00 Lakhs paid to the managing director in accordance with the limits approved by the shareholders at the AGM held on 25th September 2019.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

41. Commitments

(Amount in Rs.)

SI No	Particulars	March 31, 2020	March 31, 2019
i)	Warranty Costs on Software Sale	Not Quantified	Not Quantified
ii)	On account of Capital expenditure		
	a) Software under development	22,500,000	10,000,000
	b) Acquisition of immovable properties	56,200,000	56,200,000

42. Contingent Liabilities (to the extent of which not provided for)

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Money for which the company is contingently liable:		
Bank Guarantee*	172,000	182,000

*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	NIL	-	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	AO to give effect to the ITAT order; The Company is in the process of filing appeal before the HC
Income-tax Act, 1961	Transfer pricing	30,910,300	-	2011-12	AO to give effect to the ITAT order; The Company is in the process of filing appeal before the HC
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)
Karnataka Value Added Tax Act, 2003	CST	389,511	389,511	FY 2010-11	KAT

43. Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 2, 2006, the company is required to make certain disclosure relating to Micro, Small and Small and Medium Enterprises. The company is in the process of compiling and assimilating the relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosure have been made in the Accounts.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

44. 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, 2020	March 31, 2019
Revenue:		
Export *	10021.86	9,054.79
Domestic *	99.19	161.73
Net Income from Operations	10,121.05	9,216.52
Add: Income from Exceptional Items/Other Income	847.27	395.04
Profit before Depreciation/Tax/Interest/Amortization :		
-from Exports	2,087.54	2,154.37
-from Domestic*	(76.15)	(154.48)
Income from Exceptional Items/Other Income	847.27	395.04
Total	2858.66	2,394.93
Less: (1) Interest	103.96	137.99
(2) Depreciation/Amortization	1,561.52	1,516.95
Profit Before Taxation	1193.18	739.99

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.

45. The Company has filed an appeal before CIT (A) against the Income tax assessment orders passed for the AY 2017-18, which is pending disposal as on Balance sheet date and also in the process of filing its appeal before the Honourable High Court Of Karnataka against order of the ITAT for the AY 2010-11 & AY 2011-12.

46. “Impact of COVID-19 on Business:

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.”

47. Ind AS 116 Leases: The Company has different lease rental contracts which comes under the purview of IND AS 116- Leases. However the management is of the opinion that impact on the Company’s financial statements is not material.
48. The inter company (between holding and subsidiaries and intra-sub subsidiary) balances as at 31.03.2020 are subject to reconciliation.

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

49. a) Balances of Sundry Debtors, Loans & Advances are subject to reconciliation and confirmation.
- b) Sundry Debtors includes a sum of Rs. 3.21 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 2019-20.
- c) Sundry Debtors more than 180 days is computed from the date it is due for payment.
50. All figures have been rounded-off to the nearest Rupee. 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

Shashi Soni
Chairperson
DIN: 00609217

Kiran Soni
Chief Financial Officer

Danish Reza
Company Secretary

Guru Prakash.V
Chartered Accountant
Membership No. 228938

Place: Bangalore
Date: 29th June, 2020



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