izmo

Date: 30.05.2016

Ref: IZMO/SEC/2016-17

To,

The Manager Listing Bombay Stock Exchange Ltd Floor 25, Phiroze Jeejeebhoy Tower Dalal Street, Mumbai-400001	The General Manager – Listing National Stock Exchange of India Ltd Plot No. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai-400051

Scrip Code: 532341/IZMO

Sub: Outcome of the Board Meeting held on May 30, 2016 at 2.30 p.m.

Dear sir/Madam,

In terms of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, This is to inform you that the Board of Directors of IZMO Limited, Bangalore met today, at 2.30 P.M as informed earlier, inter-alia:

1. Approve the Audited Standalone financial results (including consolidated Result) along with Auditors' Report & Form-A for the quarter IV & Year ended 31st March 2016;

2. Re-appointment of Mrs. Shashi Soni as Chairperson & Whole Time Director with effect from 1st October, 2016 to 30th September, 2019 for a period of 3 (three) years;

Please treat this as compliance with the LODR, SEBI Guidelines and Corporate Laws.

Thanking you
Yours faithfully

For IZMO Limited

IZMO Limited ★ Bangalore ★

Mr. Suraj Kumar Sahu
Company Secretary

izmo ltd.
(Formerly Logix Microsystems Limited)
177/2C, Bilekahalli Industrial Area,
Bannerghatta Road, Bangalore-560 076, India

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CIN: L72200KA1995PLC018734

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Form A (For audit report with unmodified opinion)
Along with the Annual Audited Standalone Financial Results

1.	Name of the company	IZMO Limited
2.	Annual Financial statements for year ended	31st March, 2016
3.	Type of Audit Observation	Un Modified
4.	Frequency of observation	Not applicable
5.	To be signed by:	
	For IZMO Limited Mr. Sanjay Soni Managing Director	For R Vijayanand Charted Accountants M.No.202118 Statutory Auditor of the Company
	For IZMO Limited Mrs Kiran Soni Chief Financial Officer	For IZMO Limited Mr. Perur Phaneendra Chairman of Audit Committee

R. VIJAYANAND Chartered Accountant Membership No. 202118 BANGALORE-560011

Dated: 30th May, 2016
Place: Bengaluru

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Statement of Stand alone Un-audited Financial Results for the Quarter and Year ended 31-03-2016

(Rs. in Lakhs)

	Particulars	Quarter Ended			Year Ended	
		Un-audited	Un-audited	Un-audited	Audited	Audited
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Income from Operations					
	(a) Net Sales / Income from Operations					
	- izmocars Software Products	426.65	530.77	407.46	1,755.33	1,656.90
	- Enterprise Connectivity Solutions	29.13	26.92	56.44	95.38	186.15
	(b) Other Operating Income	-	-	-		-
	Total Income from Operations (net)	455.78	557.68	463.90	1,850.71	1,843.05
2	Expenses					
	(a) Cost of Materials Consumed	-	-	-	-	-
	(b) Purchase of traded Stock (Direct Cost)	31.03	13.75	49.04	65.29	119.85
	(c) Changes in Inventories	0.26	-	0.22	(0.57)	2.53
	(d) Employee Benefit Expense	193.08	246.50	189.49	830.39	807.64
	(e) Depreciation and Amortisation expense	143.93	142.90	149.84	570.28	580.76
	(f) Other Expenses	319.69	96.40	74.22	616.00	328.15
	Total Expenses	687.99	499.55	462.81	2,081.39	1,838.93
3	Profit/(Loss) from operations before other income, finance cost & exceptional Items (1-2)	(232.21)	58.13	1.09	(230.68)	4.12
4	Other Income	76.48	54.61	38.15	250.75	187.75
5	Profit/(Loss) from ordinary activities before finance cost & exceptional Items (3 ±4)	(155.73)	112.74	39.24	20.07	191.87
6	Financial Costs	143.74	14.94	60.20	187.70	187.98
7	Profit/(Loss) from ordinary activities after finance cost but before exceptional Items (5±6)	(299.47)	97.80	(20.96)	(167.63)	3.89
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7±8)	(299.47)	97.80	(20.96)	(167.63)	3.89
10	Tax Expense	61.45	-	22.60	61.45	22.60
11	Net Profit from Ordinary Activities after Tax (9±10)	(238.02)	97.80	1.64	(106.18)	26.49
12	Extraordinary Items (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the Period (11 ± 12)	(238.02)	97.80	1.64	(106.18)	26.49
14	Share of Profit /(Loss) of Associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates (13±14±15)	(238.02)	97.80	1.64	(106.18)	26.49
17	Paid-up Equity Share Captial (Face value Rs.10/- per share)	1,209.87	1,209.87	1,209.87	1,209.87	1,209.87
18	Reserves	14,970.11	15,208.13	15,076.29	14,970.11	15,076.29
19.i	Earnings Per Share (before extraordinary items)					
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	(1.97)	0.81	0.01	(0.88)	0.22
	(b) Diluted	(1.97)	0.81	0.01	(0.88)	0.22
19.ii	Earnings Per Share (after extraordinary items)					
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	(1.97)	0.81	0.01	(0.88)	0.22
	(b) Diluted	(1.97)	0.81	0.01	(0.88)	0.22
See accompanying notes to the Financial Results.						

For IZMO Limited
Authorised Signatory

For IZMO Limited
Authorised Signatory

For IZMO Limited
Authorised Signatory

R. VIJA... Chartered Accountant Membership No. 2021... BANGALORE-560011

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Statement of Consolidated Un-audited Financial Results for the Quarter and Year ended 31-03-2016

(Rs. in Lakhs)

	Particulars	Quarter Ended			Year Ended	
		Un-audited	Un-audited	Un-audited	Un-audited	Unaudited
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Income from Operations					
	(a) Sales / Income from Operations	1,304.47	1,200.70	696.95	4,288.59	3,347.74
	(b) Other Operating Income	-	-	-	-	
	Total Income from Operations (net)	1,304.47	1,200.70	696.95	4,288.59	3,347.74
2	Expenses					
	(a) Cost of Materials Consumed	-	-	-	-	-
	(b) Purchase of traded Stock (Direct Cost)	31.03	13.75	49.04	65.29	119.85
	(c) Changes in Inventories	0.26	-	0.22	(0.57)	2.53
	(d) Employee Benefit Expense	891.23	395.52	295.57	1,954.82	1,805.29
	(e) Depreciation and Amortisation expense	248.23	146.54	155.82	685.52	706.21
	(f) Other Expenses	708.01	403.41	235.35	1,592.87	1,079.77
	Total Expenses	1,878.76	959.22	736.00	4,297.93	3,713.65
3	Profit/(Loss) from operations before other income, finance cost & exceptional Items (1-2)	(574.29)	241.47	(39.05)	(9.34)	(365.91)
4	Other Income	89.42	54.61	38.15	831.60	809.79
5	Profit/(Loss) from ordinary activities before finance cost & exceptional Items (3 ±4)	(484.87)	296.08	(0.90)	822.26	443.88
6.i	Financial Expenses	142.48	14.94	60.20	186.44	236.22
6.ii	Technical Know-how Amortization	17.90	209.84	151.30	533.88	614.10
7	Profit/(Loss) from ordinary activities after finance cost but before exceptional Items (5±6)	(645.25)	71.30	(212.40)	101.94	(406.44)
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7±8)	(645.25)	71.30	(212.40)	101.94	(406.44)
10	Tax Expense	61.45	-	22.60	61.45	22.60
11	Net Profit from Ordinary Activities after Tax (9±10)	(583.80)	71.30	(189.80)	163.39	(383.84)
12	Extraordinary Items (net of tax expense)	-		-	-	-
13	Net Profit / (Loss) for the Period (11 ± 12)	(583.80)	71.30	(189.80)	163.39	(383.84)
14	Share of Profit /(Loss) of Associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates (13±14±15)	(583.80)	71.30	(189.80)	163.39	(383.84)
17	Paid-up Equity Share Captial (Face value Rs.10/- per share)	1,209.87	1,209.87	1,209.87	1,209.87	1,209.87
18	Reserves	16,169.15	16,752.95	16,005.75	16,169.15	16,005.75
19.i	Earnings Per Share (before extraordinary items)					
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	(4.83)	0.59	(1.57)	1.35	(3.17)
	(b) Diluted	(4.83)	0.59	(1.57)	1.35	(3.17)
19.ii	Earnings Per Share (after extraordinary items)					
	(of Rs. 10/- each) (not annualised):					
	(a) Basic	(4.83)	0.59	(1.57)	1.35	(3.17)
	(b) Diluted	(4.83)	0.59	(1.57)	1.35	(3.17)
See accompanying notes to the Financial Results.						

For IZMO Limited

Authorised Signatory

For IZMO Limited

Authorised Signatory

For IZMO Limited

Authorised Signatory

IZMO Limited Bangalore

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Notes:

1. The above Q4 Un-audited results and Audited annual results for the financial year ended 31.03.2016 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30-05-2016.
2. Statutory Audit of Standalone financial results for the financial year has been carried out by the Auditors.
3. Investors Grievances during the quarter: Received - Nil, Attended - Nil, Pending - Nil.
4. The company has added Kayak Corporation to its list of clients in the United States.
5. In Europe, the company has added 8 new clients including Titanium Systems OU and Scout24 Schweiz AG.
6. In the Indian market, the sales of the company's Izmoweb product has gathered momentum and new sign-ups are being done at nearly 40-45 a month. Total customer count has crossed 200 as we have added more than 100 clients in the quarter alone !!!
7. The Company operates in one reportable segment only.

France
30th May, 2016

For and on behalf of the Board

Bangalore

Sanjay Soni
Managing Director

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IZMO Limited
(Formerly Logix Microsystems Limited)

Balance Sheet as at 31st March, 2016

	Note No.	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	120,986,730	120,986,730
Reserves and Surplus	2	1,497,010,613	1,507,628,640
		1,617,997,343	1,628,615,370
Non-Current Liabilities			
Other Long Term Liabilities	3	14,717,166	15,093,031
Long Term Provisions	4	8,563,862	7,143,364
		23,281,028	22,236,395
Current Liabilities			
Short Term Borrowings	5	278,393,969	275,452,155
Trade Payables	6	142,475,394	135,255,514
Other Current Liabilities	7	91,115,542	67,140,535
Short Term Provisions	8	1,143,823	1,071,714
		513,128,728	478,919,918
TOTAL		2,154,407,099	2,129,771,683
ASSETS			
Non-Current Assets			
Fixed Assets	9		
Tangible Assets		44,556,702	42,289,283
Intangible Assets		51,113,968	101,811,539
Capital Work-in-Progress		22,905,002	9,012,324
Non-Current Investments	10	1,602,978,996	1,612,978,996
Deferred Tax Assets (Net)		13,102,145	6,957,539
Long Term Loans & Advances	11	35,585,523	15,482,169
		1,770,242,336	1,788,531,850
Current Assets			
Current Investments	12	145,130,146	172,114,782
Inventories	13	195,180	138,199
Trade Receivables	14	162,298,083	117,668,276
Cash and Bank Balances	15	23,933,112	13,450,636
Short Term Loans & Advances	16	52,608,242	37,867,940
		384,164,763	341,239,833
TOTAL		2,154,407,099	2,129,771,683
Notes to Accounts & Significant Accounting policies	1 to 24		

Notes to Accounts and Significant Accounting policies form an integral part of the Balance Sheet.

for and on behalf of the Board

Sanjay Soni
Managing Director

Shashi Soni
Chairperson

Kiran Soni
Chief Financial Officer

Suraj Kumar Sahu
Company Secretary

Place: Bangalore
30th May, 2016

IZMO Limited Bangalore

As per my Report of even date

R.Vijayanand
Chartered Accountant
Membership No.202118

R. VIJAYANAND Chartered Accountant Membership No. 202118 BANGALORE-560011

IZMO Limited
(Formerly Logix Microsystems Limited)

Consolidated Balance Sheet as at 31st March, 2016

	Note No.	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	120,986,730	120,986,730
Reserves and Surplus	2	1,616,914,502	1,600,575,255
		1,737,901,232	1,721,561,985
Non-Current Liabilities			
Other Long Term Liabilities	3	14,717,166	15,093,031
Long Term Provisions	4	8,563,862	7,143,364
		23,281,028	22,236,395
Current Liabilities			
Short Term Borrowings	5	278,393,969	275,452,155
Trade Payables	6	39,688,527	27,844,500
Other Current Liabilities	7	102,434,923	121,807,161
Short Term Provisions	8	1,143,823	1,071,714
		421,661,242	426,175,530
TOTAL		2,182,843,502	2,169,973,910
ASSETS			
Non-Current Assets			
Fixed Assets	9		
Tangible Assets		59,401,651	56,629,083
Intangible Assets		1,566,876,147	1,617,177,369
Capital Work-in-Progress		22,905,002	9,012,324
Non-Current Investments	10	2,040,500	12,040,500
Deferred Tax Assets (Net)		13,102,145	6,957,539
Long Term Loans & Advances	11	127,541,299	113,964,971
		1,791,866,744	1,815,781,786
Current Assets			
Current Investments	12	145,130,146	172,114,782
Inventories	13	195,180	138,199
Trade Receivables	14	63,133,511	30,118,097
Cash and Bank Balances	15	53,348,081	44,409,832
Short Term Loans & Advances	16	129,169,840	107,411,215
		390,976,758	354,192,124
TOTAL		2,182,843,502	2,169,973,910
Notes to Accounts & Significant Accounting policies	1 to 24		

Notes to Accounts and Significant Accounting policies form an integral part of the Balance Sheet

for and on behalf of the Board

Sanjay Soni	Shashi Soni	Kiran Soni	Suraj Kumar Sahu
Managing Director	Chairperson	Chief Financial Officer	Company Secretary

Place: France Bangalore
30th May, 2016

IZMO Limited ★ Bangalore ★

R. Vijayanand B.Com., F.C.A.
Chartered Accountant

Independent Auditor's Report

To the Members of Izmo Limited (formerly Logix Microsystems Limited)

Report on the Standalone Financial Statements

I have audited the accompanying standalone financial statements of **Izmo Limited (formerly Logix Microsystems Limited)** 'the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

My responsibility is to express an opinion on these standalone financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of

R. VIJAYANAND Chartered Accountant Membership No. 202118 BANGALORE-560011

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such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, I report that:

   a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.

   b) In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;

   c) The balance sheet, the statement of profit and loss 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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"; and

   g) 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, in my opinion and to the best of my information and according to the explanations given to me.

R. VIJAYANAND Chartered Accountant Membership No. 202118 BANGALORE-560011

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R. Vijayanand B.Com., F.C.A.
Chartered Accountant

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24.23 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 24.21 and 24.24 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



R. Vijayanand
Chartered Accountant
M. No: 202118

Place: Bangalore
Date: 30th May 2016

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Chartered Accountant

Annexure - A to the Auditors' Report

The Annexure referred to in my Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, I report that:

i)

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one year. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii) The management has conducted physical verification of inventory at reasonable intervals during the year.

iii)

a) The Company has granted loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

b) In respect of interest free loans given, the principal amounts are repayable on demand and since the repayment of such loans has not been demanded. and hence regularity or irregularity on receipt of the principal does not arise.

c) Where overdue amount in respect of a loan granted is more than rupees one lakh, reasonable steps have been taken by the Company for recovery of the principal amount.

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, with respect to the loans and investments made.

v) The Company has not accepted any deposits from the public.



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R. Vijayanand B.Com., F.C.A.
Chartered Accountant

vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii) a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to me, the Company had made relevant provisions on account of employees' state insurance and duty of excise.

According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to me, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to me, the following dues of income tax have not been deposited by the Company on account of disputes:

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	5,51,67,570	NIL	F.Y 2008-09	Appellate Tribunal
Income Tax Act, 1961	Transfer Pricing	3,90,81,185	70,00,000	F.Y 2009-10	Appellate Tribunal
Income Tax Act, 1961	Transfer Pricing	3,09,10,300	NIL	F.Y 2010-11	Appellate Tribunal
Income Tax Act, 1961	Income Tax	84,23,520	NIL	F.Y 2012-13	CIT Appeals
Karnataka Value Added Tax act, 2003	VAT & CST	43,00,463	14,78,353	F.Y 2010-11	JCCT (A)-4

viii) According to the information and explanations given to me and on the basis of examination of books of accounts, I observe that the Company has defaulted in repayment of term loans amounting to Rs.2.33 Crores payable from September 2012 to March 2016 and Rs.11.64 Crores towards other credit facilities payable from September 2011.

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R. Vijayanand B.Com., F.C.A.
Chartered Accountant

ix) The Company did not raise any money by way of initial public offer and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

x) According to the information and explanations given to me, no material fraud by the Company or by its officers or employees has been noticed or reported during the course of my audit.

xi) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of the section 197read with Schedule V to the Act.

xii) In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where 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 shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable .

xvi) The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934



R. Vijayanand
Chartered Accountant
M. No.: 202118

Place: Bangalore
Date: 30th May 2016

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Annexure - B to the Auditors' Report

Report on the Internal Financial Controls 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(formerly Logix Microsystems Limited)**("the Company") as of 31stMarch 2016 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 Company's management 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.



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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 misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

R. VIJAYANAND Chartered Accountant Membership No. 202118 BANGALORE-560011

R. Vijayanand
Chartered Accountant
M. No.: 202118

Place: Bangalore
Date: 30th May 2016

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