

The background features two wide diagonal bands crossing from the top-left to the bottom-right. The upper band is composed of a light gray segment followed by a dark gray segment. The lower band is composed of a dark gray segment followed by a light gray segment. In the center, a light gray diamond is tilted to match the diagonal bands. It has a dark gray border and a subtle drop shadow.

IO SYSTEM LIMITED

30Th

**ANNUAL
REPORT | 2017-18**

CORPORATE INFORMATION

Board of Directors / Key Managerial Personnel

Mr. Arun Seth	- Independent Director
Mr. Ramesh Chandra Agarwal	- Independent Director
Mr. Satish Kumar Gupta	- Director
Ms. Rashi Adlakha	- Additional Director
Mr. Pankaj Kumar Singh	- Chief Executive Officer (CEO)
Mr. Rakesh Kumar Bhatnagar	- Chief Financial Officer (CFO)
Mr. Dinkar Sharma	- Company Secretary

AUDITORS

H S Gupta & Co.,
Chartered Accountants,
R-13/27,
Raj Nagar,
Ghaziabad-201002 (U.P).

INTERNAL AUDITOR

RBAS & Associates,
Chartered Accountants
Office No. 49, II Floor,
A-215, Chawla Complex,
Shakarpur, Delhi-110 092.

SECRETARIAL AUDITOR

S.K.Batra & Associates
Company Secretaries
#3393, 1st Floor, South Patel Nagar
Adjacent Jaypee Siddharth Hotel
New Delhi-110008

Registrar & Share Transfer Agent

MAS Services Limited
T-34, 2ndFloor, Okhla Industrial Area,
Phase - II, New Delhi - 110 020
Ph: 26387281/82/83, Fax: 26387384
email: info@masserv.com
Website: www.masserv.com

BANKERS

Indusind Bank,

CONTENTS

Notice . . . . .	.01
Directors' Report. . . . .	.04
Report on Corporate Governance . . . . .	.17
Management Discussion And Analysis Report. . . . .	.25
Auditors' Report . . . . .	.30
Balance Sheet . . . . .	.36
Profit & Loss Account . . . . .	.37
Cash Flow Statement . . . . .	.38
Schedules / Notes . . . . .	.39
Proxy Form . . . . .	.50

IO System Limited

CIN : L65921UP1987PLC008764

Regd. Office : Global Knowledge Park, Plot No. 19A & 19B,
Sector-125, Noida, U. P. - 201301

Ph.: +91-120-3355131

Website: www.iosystem.co.in, E-mail : iosystemltd@gmail.com

NOTICE TO MEMBERS

Notice is hereby given that the Thirtieth Annual General Meeting (AGM) of the members of IO SYSTEM LIMITED will be held at 11.00 a.m. on Friday, the 28th September, 2018 at C-10, Sector-65, NOIDA-201 301 (U.P), to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited financial statements of the Company including the Balance Sheet as at 31st March, 2018, the statement of audited Profit & Loss and Cash Flow for the year ended 31st March, 2018 and the Directors' and Auditors' Reports thereon.
2. To consider and appoint Director in place of Mr. Arun Seth (DIN : 00007895), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary

Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, Ms. Rashi Adlakha (DIN:07742051) who was appointed as an Additional Director with effect from February 08, 2018 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and as per the Articles of Association of the Company, who holds office up to the date of this Annual General Meeting, based on the recommendation of Nomination and Remuneration Committee, approval of the Board of Directors and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of her office shall be liable to determination by retirement of directors by rotation."

**By Order of the Board
For IO SYSTEM LIMITED**

Date : August 14, 2018

Place : NOIDA

**ARUN SETH
DIRECTOR
DIN : 00007895**

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of total share capital of the company.
2. Members are requested to notify immediately the change of address, if any, to the Company or MAS Services Limited, the Registrar & Share Transfer Agent of the Company. However, Members holding shares in electronic form are hereby informed that the company or its Registrars & Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository participant of the Members.
3. The Register of Members & Share transfer books of the Company will remain closed from Saturday, the 22nd September, 2018 to Friday, the 28th September, 2018 (both days inclusive).
4. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
5. Members are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants. Members holding shares in physical form can submit their PAN details to the Company or to MAS Services Ltd., the Registrar & Share Transfer Agents of the Company.

7. Annual Report 2017-18 along with notice of the AGM, Attendance Slip, Proxy Form and process instructions and the manner of conducting E-voting is being sent electronically to all the members whose email IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of Annual Report are being sent through permitted mode. Members who have not registered their email address are requested to get the same registered with the Company / Depository Participants and update the same, if required.
8. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members at the registered office of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.
9. Voting through electronic means : In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means. The Company has engaged the services of National Securities Depository Limited ("NSDL") to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.
10. The remote e-voting period begins on Tuesday, the 25th September, 2018 (at 9.00 a.m.) and ends on Thursday, the 27th September, 2018 (at 5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
11. The Company shall also provide the facility for voting through polling paper which shall be available at the meeting and Members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their rights to vote at the Meeting.
12. **Instructions for remote e- voting: Please read the instructions as mentioned at the back of the attendance slip.**
13. Members are required to vote only through the electronic system or through ballot at Annual General Meeting only and in no other form. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
15. The e-voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2018.
16. A member may participate in the Annual General Meeting even after exercising his right to vote through e-voting, but shall not be allowed to vote again.
17. Mr. Dinkar Sharma, Compliance Officer of the Company, "Global Knowledge Park, Plot No.19A & 19B, Sector-125, NOIDA-201 301 (U.P), shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. He can be contacted through e-mail at csdinkar@gmail.com.
18. At the 29th Annual General Meeting of the Company held on September 29, 2017, the members approved appointment of HS Gupta & Co., Chartered Accountants (Registration No. 000326C) as Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of that Annual General Meeting till the conclusion of the 34th Annual General Meeting, subject to ratification of their appointment by members at every Annual General Meeting. Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 30th Annual General Meeting.
19. **MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.**

Explanatory statement

As required under section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to business mentioned under Item No. 3 of the accompanying Notice:

The Board of Directors, on the recommendations of the Nomination and Remuneration Committee, appointed Ms. Rashi Adlakha (DIN: 07742051) as an Additional Director with effect from February 08, 2018. Pursuant to the provisions of Section 161(1) of the Act Ms. Rashi Adlakha holds office upto the date of this AGM and is eligible to be appointed as Director, whose office shall be liable to retire by rotation. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a member, proposing the candidature of Ms. Rashi Adlakha for the Office of Director. Ms. Rashi Adlakha is a member of the Institute of Company Secretaries of India. Further details of Ms. Rashi Adlakha have been given in the Annexure to this Notice. The Board feels that the presence of Ms. Rashi Adlakha on the Board is desirable and would be beneficial to the Company and hence recommends the Resolution No. 3 of this Notice for approval of the Members. Except Ms. Rashi Adlakha, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 3 of this Notice.

IO SYSTEM LIMITED

Details of Directors seeking Appointment / Reappointment in forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015)

Name of the Director	Mr. Arun Seth	Ms. Rashi Adlakha
Date of Birth	24 th September, 1953	24/10/1991
Date of appointment / re-appointment	30 th September, 2016	8 th February, 2018
Qualification	B.A., Diploma in Marketing Management	B.Com, ACS
Expertise in Specific Functional Areas	Marketing, Electronics & Information Technology	Secretarial & Legal
List of Companies in which Directorship held	IO System Limited Bharat IT Services Limited Chelmesford Club Limited Delhi Race Club 1940 Limited First Choice Enterprises Pvt. Ltd. Peremex Computer Systems Pvt. Ltd.	Avon Mercantile Limited IO System Limited Modipur Solar Lamps Pvt. Ltd Saket City Medical Office Building Pvt Ltd Saket City Residences Pvt. Ltd Saket Medicit Pvt Ltd Saket City Rehabilitation Centre Pvt Ltd Smartglobal Financial Ventures Pvt. Ltd Smart BYD E- Vehicle Pvt. Ltd
No. of Shares held in the Company	NIL	NIL

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting the 30th Annual Report together with the Statement of Accounts of your Company for the year ended 31st March, 2018.

Financial Performance

The summarized results of your Company are given in the table below :

(Amount in Rs.)

PARTICULARS	31.03.2018	31.03.2017
Total Income (Other Income)	7,637	2,009
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	(45,94,066)	(45,06,609)
Finance Charges	49,16,171	40,72,531
Depreciation	36,426	27,096
Net Profit/(Loss) After Tax	(95,46,663)	(86,06,236)
Profit/(Loss) brought forward from previous year	(21,77,72,765)	(20,91,66,529)
Profit/(Loss) carried to Balance Sheet	(22,73,19,428)	(21,77,72,765)

Summary of Operations

During the year under review, the only earnings for the Company was through other income which stood at Rs.7,637/- as compared to that of Rs. 2,009/- during the previous year. The Company incurred a loss of Rs.95.46 lacs during the year under review, as compared to a loss of Rs.86.06 lacs during the previous year.

Transfer to Reserves

The Company has not transferred any amount to General Reserve in the current year.

Business Review/State of the company's affairs

During the year under review, the Company did not carry any business activity. The Company has been incurring losses for the past many years and is yet to overcome the same. The Company has stopped its commercial production owing to huge losses over the past many years.

Dividend

In view of the losses incurred during the year as well as in the previous years, your Directors do not recommend any dividend.

Subsidiary Company

The Company does not have any subsidiary. However, the Company continues to be the subsidiary of Smart Entertainment Private Limited with Smart Global Corporate Holdings Private Limited as the Ultimate Holding Company.

Directors' Responsibility Statement

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and ability, confirm:

- that in the preparation of annual accounts, the applicable accounting standards have been followed alongwith explanation relating to material departures;
- that 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 as on March 31, 2018 and of the profit / loss of the Company for that period.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a going concern basis.
- that internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

IO SYSTEM LIMITED

Capital/ Finance

During the year under review, there was no enhancement or reduction in capital of the Company. As on 31st March, 2018, the capital break-up of the Company is as under :

- i) **Authorised Capital:** Rs. 25,00,00,000/-, divided into 2,00,00,000 Equity Shares of Rs.10/- each and 5,00,000 Preference Shares of Rs.100/- each.
- ii) **Issued, subscribed and fully paid up share capital:** Rs. 16,90,00,000/-, divided into 1,69,00,000 Equity shares of Rs.10/- each.

Directors and Key Managerial Personnel

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Ramesh Chandra Agarwal and Mr. Satish Kumar Gupta, were appointed as independent directors at the annual general meeting of the Company held on September 29, 2014 to hold office upto 28th September, 2019. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. Both the independent Directors of the Company, viz., Mr. Ramesh Chandra Agarwal and Mr. Satish Kumar Gupta, have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mr. Arun Seth retires at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment. Also pursuant to the provisions of Section 149(1) of the Act, Ms. Gunjan Arora, Wholetime Director, resigned during the year under review w.e.f. 30th November, 2017 and Ms. Rashi Adlakha was appointed as an Additional Director on the Board to hold office upto the conclusion of the ensuing Annual General meeting w.e.f 8th February, 2018. The Company has received a notice from the member of the Company proposing her candidature as a Director of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Rakesh Kumar Bhatnagar continues to be the Chief Financial Officer (CFO) of the Company with effect from 1st March, 2015. Mr. Dinkar Sharma acts as the Company Secretary of the Company. Mr. Pankaj Kumar Singh was appointed as CEO of the Company w.e.f 1st June, 2018.

There has not been any other change in the Directorship or appointment / resignation of Key Managerial Personnel.

Number of Meetings of the Board

Four meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule IV of the Act and SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI"). The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, held on 31st March, 2018, performance of non-independent directors and the performance of Board as a whole was evaluated. The same was discussed in the board meeting that followed the meeting of the independent Directors.

Policy on Directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

Internal Financial Control Systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis which forms part of this report.

Statutory Auditors

M/s H S Gupta & Co., (Firm Registration No. 000326C), Chartered Accountants, the Statutory Auditors of the Company were appointed at the 29th Annual General Meeting of the Company held on 29th September, 2017 to hold office for a period of five years, i.e., upto the conclusion of 34th Annual General meeting of the Company, subject to ratification by the members

of the Company at every Annual General Meeting. However, Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 30th Annual General Meeting.

Internal Auditors

The Company had appointed M/s RBAS & Associates, Chartered Accountants, Delhi, as Internal Auditors of the Company for the financial year 2017-18.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s S K Batra & Associates, Company Secretaries, New Delhi, to conduct the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed to this report.

Auditors' Report and Secretarial Auditors' Report - Explanation and Comments

The reports of Statutory auditors and that of the Secretarial Auditors are self-explanatory and have no adverse comments and form part of this annual report though the statutory auditor in their report have mentioned that the entire capital of the company has been eroded and this has adversely effected the going concern concept of IND-AS. However they have mentioned that since Smart Entertainment Private Limited, the holding company has given assurance for financial assistant as and when any obligation arises or fall due on the company the going concern concept has been duly taken care of and financial have been prepared on going concept basis. Similar views has been observed by secretarial auditor also in their report.

Audit Committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

Material Change

There is/are no material change(s) or commitment(s) after the closure of the financial year.

Risk Management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

Transactions with related parties

All transactions entered into with Related parties as defined under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the Financial Year were in the ordinary course of business and on arms' length basis and do not attract provisions of Section 188 of the Companies Act, 2013. However, since Company, from time to time, takes loan from its Holding Company, viz., Smart Entertainment Pvt. Ltd., the approval of shareholders was obtained through Special Resolution at the Annual General Meeting of the Company, held on 30th September, 2016, to approve for such transactions upto a limit of Rs.50 Crores. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form AOC-2 and the same forms part of this report.

Corporate Social Responsibility (CSR) Policy

The provisions regarding formation / constitution of CSR Committee prescribed under Section 135 of the Companies Act, 2013 are presently not applicable to the Company.

Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

Particulars of Employees

- a) Details as per Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.
- No employee was paid remuneration in excess of Rs.8.50 Lacs per month (if employed for a part of the year) or

IO SYSTEM LIMITED

Rs.1.02 Crores per annum (if employed throughout the year) during 2017-18 and hence there is no disclosure requirement as per Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

- No employee of the Company, if employed throughout the financial year or part thereof, was in receipt of remuneration during the financial year 2017-18 which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

b) Details as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

S.No.	Particulars	Remarks			
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year.	Not comparable as at present, there is no director who is drawing any remuneration from the Company except the sitting fee paid to Directors.			
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief	CFO	Wholetime Director (Resigned w.e.f 30/11/2017)	Company Secretary	Other Directors
	Executive Officer, Company Secretary or Manager, if any, in the financial year.	NIL	NIL	NIL	No remuneration
3.	The percentage increase in median remuneration of employees in the financial year.	Not applicable, as the Company does not have any employee drawing remuneration at present other than the Key Managerial Personnel (KMPs).			
4.	The number of permanent employees on rolls of the Company.	Only 2 KMPs are appointed on the rolls of the Company as on 31 st March, 2018.			
5.	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.	Since, there are no employees other than the KMP and Wholetime Director of the Company, such comparison is not possible. However, the percentage increase in remuneration during the financial year under review is 10% considering the qualifications, experiences and responsibilities shouldered and individual performances.			
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the remuneration policy of the Company.			

Vigil Mechanism

The Company has implemented a Vigil Mechanism (Whistle Blower Policy) and is posted on the Company's website i.e. www.iosystem.co.in and no person is denied access to the Audit Committee.

Cost Records

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.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. This policy provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year under review, there was no complaint received from any employee

Other Disclosure requirements

The corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

Details of the familiarization programme of the independent directors are available on the website of the Company. Policy on dealing with related party transactions is available on the website of the Company. **Deposits from public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

1	Energy conservation measures taken	Since there is no manufacturing activity in the Company, therefore, there is no scope for energy consumption and its conservation.
2	Additional investments & proposals, if any, being implemented for reduction of consumption of energy.	
3	Impact of above measures for reduction of energy consumption and consequent impact on production of goods	
	Total energy consumption and energy consumption per unit of Production	

(b) Technology Absorption

1	Specific areas in which R&D is carried out	NIL
2	Benefits derived as a result	N/a
3	Future plan of action	Not required as of now
4	Expenditure on R&D	NIL

Appreciation

Your Company expresses its appreciation for the continued co-operation of the Statutory Authorities, Banks & Financial Institutions. Your Company also wishes to thank all its stakeholders for their contribution and support throughout the year.

**On behalf of the board of directors,
For IO System Limited,**

**Place : NOIDA
Dated : 14th August, 2018**

**Rashi Adlakha
Addl. Director
DIN:07742051**

**Arun Seth
Director
DIN:00007895**