



Regd. Office: Syndicate House, Manipal – 576 104

44th Annual Report

2014 – 2015



Chairman & Whole-time Director	: T. Mohandas Pai
Directors	: H. N. S. Rao Bharath K. Nayak K. M. Udupa A. Giridhar Pai U. Harish P. Shenoy Vimal C. Kamath
CFO	: G. R. Nayak
Auditors	: M/s Chaturvedi & Shah <i>Chartered Accountants, Mumbai</i>
Registered Office	: Syndicate House, Upendra Nagar Manipal – 576 104 CIN - L65993KA1971PLC002106
Bankers	: SYNDICATEBANK CORPORATION BANK ICICI BANK LTD.
Registrar and Share Transfer Agent (For Physical and Demat Shares)	: Cameo Corporate Services Ltd. Subramanian Building No. 1, Club House Road Chennai – 600 002

NOTICE

NOTICE is hereby given that the 44th ANNUAL GENERAL MEETING of Members of ICDS Limited will be held on Monday, **the 28th September, 2015 at 4.00 p.m.** at Rotary Hall, Ananth Nagar, Manipal – 576 104, Udupi District to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors and Auditors.
2. To appoint a Director in place of Mr. H. N. S. Rao who retires by rotation and being eligible offers himself for reappointment.
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 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 26-09-2014 the appointment of M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, (Firm Registration No. 101720W), as the Statutory Auditors of the Company to hold office till the conclusion of the AGM to be held in the Calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the audit committee and agreed upon between the auditors and the Board of Directors."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"**RESOLVED THAT** Subject to the provisions of Sec.196, Sec. 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereto, the appointment of Mr. T. Mohandas Pai as Whole-time Director for a period of 5 years from 1st September, 2015 without remuneration for the time being be and is hereby approved.
RESOLVED FURTHER that Mr. T. Mohandas Pai shall not be liable to retire by rotation during the period he holds the position of Whole-time Director."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 of the Companies Act, 2013 and the Rules made there under, as amended including any statutory modification(s) or any substitution or any re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Mrs. Vimal Chandrashekar Kamath (DIN 07182821), who was appointed as additional director on the Board on May 19, 2015, and who holds office upto the date of this Annual General Meeting and being eligible for appointment as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member signifying its intention to propose her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

Registered Office:
Syndicate House
Manipal – 576 104
Date : 07-08-2015

Sd/-
T. Mohandas Pai
Chairman & Whole-time Director

NOTES

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of Folio No.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. The Company has transferred unclaimed dividend declared upto the financial year ended 31st March, 1995 to the General Revenue Account of the Central Government. Those who have not encashed their dividend warrants, for whatever reason, for the period to and including 31st March, 1995 are requested to claim the amount from the Registrar of Companies, Karnataka, Bangalore.

Unclaimed dividend for the year ended 31st March, 1996, 31st March, 1997 and 31st December, 1997 has been transferred by the Company to "Investor Education and Protection Fund" set up by the Central Government and no claims shall lie against the fund or the Company in respect of the amounts so transferred.

8. Members who wish to obtain any information on the Company or view the accounts for the Financial Year ended 31st March, 2015 may visit the Company's corporate website www.icdslimited.com or send their queries at least 10 days before the Annual General Meeting to the Secretarial Department at the Registered Office of the Company.
9. The information as required to be provided under the Listing Agreement with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed is given hereunder:

- | | | | |
|-----|---|---|---|
| (A) | Name | : | Mr. H. N. S. Rao |
| | Date of Birth | : | 04-10-1938 |
| | Date of Appointment | : | 12-01-2009 |
| | Expertise in specific functional areas | : | Retd. Dy. G.M. of Syndicate Bank, He has experience of over 35 years in Nationalised Bank and Financial Institution in various areas like administration, finance, especially in credit management and recovery. He worked as General Manager of the Company for over 10 years and his work was focused on credit and recovery besides general administration. |
| | List of other directorships held | : | MPL Enterprises Limited
Blue Cross Builders and Investors Ltd.
Manipal Properties Limited
Sri Ramakrishna Theatre Ltd. |
| | Chairman/Member of the Committees of the Board | : | Nil |
| | Chairman / Member of the Committees of the Board of other Companies in which he is Director | : | Member, Stakeholders Relationship Committee of MPL Enterprises Ltd. |
| (B) | Name | : | Mrs. Vimal Chandrashekar Kamath |
| | Date of Birth | : | 21-06-1944 |
| | Expertise in specific functional areas | : | Basically Mrs. Vimal C. Kamath is a social worker and donor to various cultural, social and educational associations and is deeply involved in their activities. Worked as Chemist in British Drug House, Bombay, worked as Life Insurance Agent and Consultant for nearly 20 years in Goa. She was AIR Panaji, Goa and Panaji Doordarshan artist for 20 years.
She was a member of SAG (Sports Authority of Goa) for 2 years and was Goa State Tennis Player and represented in Nationals for nearly 15 years. Presently she is a Trustee in Bharathiya Vikas Trust, Manipal. |

List of other directorships held : Nil
 Chairman/Member of the
 Committees of the Board : Nil
 Chairman / Member of the
 Committees of the Board of other
 Companies in which he is Director. : Nil

10. The register of members and Share Transfer Book will remain closed from Friday, 25th September, 2015 to Monday, 28th September, 2015 (both days inclusive) in connection with 44th Annual General Meeting.

11. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25-09-2015 10.00 a.m. and ends on 27-09-2015 upto 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 of 21-09-2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding Shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg.: If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding Shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.



- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodians:
Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

Item No. 4

Mr. T. Mohandas Pai was appointed as Director of the Company on 13th June, 1981. Later he became Joint Managing Director from 3rd August, 1984 upto 2nd August, 1999. He became Managing Director on 10th April, 1995. He was reappointed as Managing Director for a further period of 5 years from 1st September, 1997. He continued to be Managing Director till 1st September, 2002 when he was redesignated as Whole-time-Director of the Company for a period of 3 years. Again in 39th Annual General Meeting held on 27th September, 2010 the members reappointed him as Chairman and Whole-time Director for a period of 5 years with effect from 1st September, 2010 upto 31st August, 2015. Accordingly his term of office as Whole-time Director will expire on 31st August, 2015.

Mr. T. Mohandas Pai offered to reduce his Salary and House Rent Allowance by 50% with effect from 1st March, 1998 following stringent RBI Directions requiring the Company to refund entire deposits thereby forcing the Company to shrink and become down sized. He stopped drawing from the Company remuneration and all kinds of perquisites and benefits altogether with effect from 1st April, 1999 and since then he is working without any Salary and Perquisites. He has offered to work without remuneration until financial position of the Company improves.

Mr. T. Mohandas Pai is also a Director of the following Companies:

- | | |
|---|---------------------|
| 1. Manipal Prakashan Limited | : Managing Director |
| 2. Manipal Media Network Ltd. | : Chairman |
| 3. Manipal Hotels Limited | : Director |
| Chairman/Member of the Board | : Nil |
| Chairman/Member of the Committees of the Board of other companies in which he is a Director | : Nil |

Mr. T. Mohandas Pai was instrumental turn around and growth of the Company. Board of Directors feel that his continuation as Whole-time Director is necessary for further expansion of activities of the Company. The Board proposes to reappoint him subject to approval of the shareholders for a period of 5 years effective 1st September, 2015.

The Board recommends adoption of the resolution.

Except Mr. T. Mohandas Pai none of the other Directors are interested in the resolution.

The explanatory statement be treated as abstract of the terms and conditions of contract employment between the Company and Mr. T. Mohandas Pai.

Item No. 5

As per the provisions of Section 149 of the Companies Act, 2013 and Rules made there under, every listed Company shall have at least one woman director on the board of the Company. In order to comply with the requirements of the said provision, the Board of Directors appointed Mrs. Vimal C. Kamath as an additional director on 19th May, 2015.

In terms of the provisions of Section 161 of the Companies Act, 2013 Mrs. Vimal C. Kamath holds office upto the date of ensuing Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 has been received in writing from a member together with requisite deposit signifying its intention to propose her candidature for the office of the Director of the Company.

The Board considers that the appointment of Mrs. Vimal C. Kamath on the Board of the Company would be beneficial for the Company. Hence, it is proposed to appoint her as a Director, liable to retire by rotation.

The Company has received from Mrs. Vimal C. Kamath (1) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules 2014, (2) intimation in Form DIR-8 in terms the said Rules to the effect that she is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013.

Brief profile of Mrs. Vimal C. Kamath in terms of Clause 49 of the Listing Agreement is provided at the end of this Notice.

The Board recommends the passing of the Special Resolution at Item No. 5 of the accompanying Notice for approval of the members of the Company.

Save and except, Mrs. Vimal C. Kamath, to whom the Resolution relates, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

By Order of the Board

Registered Office:

Syndicate House
Manipal – 576 104
Date : 07-08-2015

Sd/-
T. Mohandas Pai
Chairman & Whole-time Director



BOARDS' REPORT

To,

The Members,

Your Board of Directors have pleasure in presenting their 44th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

FINANCIAL SUMMARY

The following table brings out the financial performance of the Company during the F.Y. 2014-15:

	<i>(Rs. in '000)</i>	
	31 March 2015	31 March 2014
Income from Operations	4,11,51	5,20,59
Other Income	1,09,71	1,02,08
Write back of provisions	80,68	74,67
Total Income	6,01,90	6,97,34
Less: Operating Expenses	4,26,67	4,36,38
	1,75,23	2,60,96
Less: Interest	33,24	49,76
Profit/(Loss) before Depreciation	1,41,99	2,11,20
Less: Depreciation	13,92	6,21
Profit/(Loss) after Depreciation before Tax	1,28,07	2,04,99
Less: Provision for Income Tax/(write back)	8,30	4,70
Profit/(Loss) after Tax	1,19,77	2,00,29
Add: (Loss) brought forward	(7,66,94)	(9,67,23)
(Loss) carried forward	(6,47,17)	(7,66,94)

COMPANY'S STATE OF AFFAIRS

Review of Performance

During the year under review the Company has earned income of Rs.6.02 Crores (including sale of telephone handsets and accessories of Rs.2.75 Crores) as against Rs.6.97 Crores in the corresponding period of the previous year- (which also included income from sale of telephone handsets and accessories of Rs.2.61 Crores) from recovery of over dues from HP/Lease/Bills Discounting/Loan Parties, Commission from insurance related activities, service charges earned from telephone bill recovery services, dividend and interest. The operating expense incurred during the reporting period was Rs.4.27 Crores as against Rs.4.36 Crores in the previous year. The accumulated losses which was at Rs.7.67 Crores as on 31st March, 2015 has been reduced to Rs.6.47 Crores on 31st March, 2015. The net worth of the Company as on 31st March, 2015 went up to Rs.9.89 Crores (Rs.7.13 Crores in the corresponding period of previous year).

Scheme of Arrangement

The details of unclaimed public liabilities with the Company as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka have been covered in the Corporate Governance Report. However, the total liability unpaid as on 31st March, 2015 was Rs.2.85 Crores which does not include cheques issued to the investors but not presented amounting Rs.2.94 Crores.

Future Business Plans

As reported in the earlier years, the company stopped NBFC business as per the undertaking given to H'ble High Court of Karnataka while considering the company's application for scheme of arrangement. Since then company was focusing its activities on recovery of over dues. The company's net owned funds has become positive and meets the minimum required NOF stipulated by Reserve Bank of India for Non-Banking Finance Business. The Company has applied RBI for registering it as a Non-Deposit taking NBFC for pursuing business of Hire Purchase/Lease finance.

Fee based Activities

In order to generate some income to partly meet the establishment expenses, your Company is engaged as Corporate Agent for Life and General Insurance Companies, and also acting as address verification agents for Fullerton India Credit Company Limited and Tata Teleservices Limited at Coimbatore. Besides, your company has taken up distributorship of MTS Mobile Phones & accessories of Sistema Shyam Teleservices Ltd., Videocon and Intex brand handsets at Coimbatore and Salem areas in Tamil Nadu. The company is also focusing on collecting over dues from HP/Lease/Loans/Bills discounted parties.

DIVIDEND

Since the Company has carried forward losses in the current year, the Directors express their inability to recommend Dividend.

SHARE CAPITAL

The paid up Share Capital as on 31st March, 2015 was Rs.13,02,67,000/-. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

DEPOSITS

The Company has not accepted any deposits from the public/shareholders during the year under review as per Section 73 of the Companies Act, 2013.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Corporate Governance Report and Auditor's Certificate regarding Compliance of conditions of Governance are made part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri H. N. S. Rao, [DIN 00106953] Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for reappointment.

Mrs. Vimal Chandrashekhar Kamath [DIN 07182821] has been appointed as an Additional Director pursuant to Section 149(1), 152 and 160 of the Companies Act, 2013 and Clause 49(II)(A) (1) of the Listing Agreement. She holds office upto the date of ensuing Annual General Meeting. The Board recommends the confirmation/appointment of Mrs. Vimal C. Kamath at the ensuing Annual General Meeting.

During the year under report, Mr. Govindaraya Raman Nayak appointed as Chief Financial Officer (CFO) of the company in terms of Section 203 of the Companies Act, 2013. Details of remuneration paid to the Directors and Key Managerial Personnel are given in the Annexure I forming part of the Boards' Report.

A brief profile of the Directors seeking confirmation/appointment, nature of expertise in specific functional area, name of other public companies in which he/she holds directorship and membership/ chairmanship of the committees of the Board of Directors and the particulars of the shareholding as stipulated under Clause 49 of the Listing Agreement entered with the Stock Exchanges is appended to the Notice.

All the Independent Directors have furnished to the Company a declaration under Section 149(7) of the Companies Act, 2013 stating that they meet criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and the same are given in Annexure III forming part of the Boards' Report.

MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year four Board Meetings were convened and held on 30-05-2014, 13-08-2014, 14-11-2014 and 11-02-2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The role and terms of reference of Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 179 of the Companies Act, 2013, besides other terms referred to by the Board of Directors from time to time. During the year, the Committee met on 30th May, 2014, 13th August, 2014, 14th November, 2014 and 11th February, 2015.

AUDIT COMMITTEE

The Audit Committee comprises independent directors namely Mr. Bharath K. Nayak, (Chairman), Mr. K. M. Udupa, Mr. A. Giridhar Pai and Mr. U. Harish P. Shenoy as other members. All the recommendations made by the Audit Committee were accepted by the Board.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES OF THE COMPANY

Since the company is still carrying over the losses Corporate Social Responsibility committee pursuant to provisions of Section 135(1) of the Companies Act, 2013 has not been formed for the time being.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees whose remuneration exceeded the limit prescribed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner.

SUBSIDIARY/ASSOCIATE COMPANIES

The Consolidated Financial Statements of the Company and its subsidiaries and associates, prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The Annual Accounts of the subsidiaries / associates and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary/associate companies and will be available to investors seeking information at any time.

Salient features of financial statements of subsidiary/associate companies pursuant to Section 129(3) of the Companies Act, 2013 have been covered in the Financial Statements in Form AOC-1.

RELATED PARTY TRANSACTION

All related party transactions that were entered into were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Companies Act, 2013 ("the Act"). There were no materially significant related party transactions made by the Company during the year that would have required shareholders approval under the provisions of the Act. Details of the transactions with related parties are provided in the Note No. 2.28 of accompanying financial statements. Form AOC-2 pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith marked as Annexure II.

Your Company through its risk management process strives to contain impact and likelihood of the risks from time to time.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, Board has carried out an annual performance evaluation of its own performance and the



Directors individually. The manner in which the evaluation has been carried out are detailed below:

The performance evaluation of Chairman and Non-Independent Directors was carried out by the Independent Directors. The Independent Directors evaluated the parameters viz., level of engagement, duties, responsibilities, performance, obligations and governance safeguarding the interest of the Company. The performance evaluation of Independent directors was carried out by the entire Board.

AUDITORS

The Auditors, Chaturvedi & Shah, Chartered Accountants, Mumbai (Firm Registration No. 101720W) retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment to hold office till the conclusion of the 46th AGM to be held in the Calendar year 2017.

AUDITORS' REPORT

In respect of the comments made by the auditors in their independent auditors report on consolidated financial statement, in the Para "Basis for qualified Opinion" relevant explanation given by the Company vide Note No. 2.14(b) to the Financial Statements is self explanatory.

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, Sri Shrinivas Devadiga, Practising Company Secretary (Membership No. 22381 CoP No.10372) from Bangalore has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as Annexure IV to this report. As per Section 134 (3f) of the Companies Act, 2013 Company is required to make comments on the adverse remarks / comments on the Secretarial Auditors Report.

1. As per the Secretarial Auditor's Report placed before the Board, the Secretarial auditor have opined that the Company has not appointed Company Secretary:

Your Directors reiterate that, Company has been trying to appoint a qualified company secretary since 1995. During 1996 a qualified company sec. was however appointed. He was in service till January 2006, when he left for his better prospects. From the year 1998 onwards company had to face financial crunch due to stringent regulatory norms issued by RBI for deposit taking NBFCs. Added to the misery due to default committed by some other NBFCs in this area, the investors of our company also exerted heavy pressure for repayment of their investments prematurely. The Company was hence forced to approach Hon'ble high court of Karnataka with a scheme of arrangement for repayment of outstanding investments in installments. The Scheme was sanctioned on December 2004 and company thereafter repaid all the investments as per the scheme. However the company was not engaged in any business consequently there were no income. Under these circumstances the company was forced to reduce the number of branches and also number of employees. This is the main reason for not appointing a company secretary. The aspirants for this post

in Manipal expects huge salary and other perquisites which is at present beyond the company's capacity. However as and when the company engages itself in a proper business, it would certainly comply with this requirement.

2. As per the Secretarial Auditor's Report placed before the Board, the Secretarial auditor have opined that the Company has not appointed Woman Director within the stipulated time.

Your Directors reiterate that, Company did identify a woman director and requested her to join the Board before 31st March, 2015 as per provisions of the Act. However, she expressed her difficulty to join prior to 31st March owing to some personal reason. She was however inducted to the Board at its meeting held on 19th May, 2015 which was the immediate next meeting after 31st March.

3. As per the Secretarial Auditor's Report placed before the Board, the Secretarial auditor have opined that the Company has not registered the lease agreement which are entered by Company having tenure more than 11 months.

Your Directors reiterate that they will review all such agreements and noted the observations for compliance.

INTERNAL FINANCIAL CONTROL

The Company has established and maintained adequate internal controls over the financial reporting. Internal controls have been designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements in accordance with accounting principles generally accepted in India. The Company has internal control system commensurate with the size and nature of the business. The Company engages M/s Pai Nayak & Associates, Chartered Accountants, Udupi with Firm Registration No. 009090S as its Internal Auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed and acts upon and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** is attached as a part of this Annual Report as **ANNEXURE I**.

Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There are no such material changes to be reported in this regard.

Change in nature of Business:

There is no change in nature of business.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

Your Directors wish to state that there have been no significant or material orders that were passed by the Regulators or Courts or Tribunals which may impact the going concern status and operations of the Company in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of Loans: Nil.

Details of Guarantee/Security Provided: Company has not provided any guarantee/Security during the financial year.

Investments made are of the nature quoted/unquoted equity shares and investment in property. Particulars of such investments are provided in the financial statements vide Note Nos. 2.08.

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

In order to prevent sexual harassment of Women at workplace, a new Act The Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013 has been notified on 9th December, 2013. In terms of the said Act, Your Company has constituted an Internal Complaints Committee to look into complaints of sexual harassment at workplace of any women employee. The company has adopted a policy for prevention of sexual harassment of women at workplace and has set up internal committee for implementation of the said policy. During the year, your Company has not received any complaint of sexual harassment of any women employee.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

- a. No. of complaints received : Nil
- b. No. of complaints disposed off : Nil

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

The company did not have any activity in relation to conservation of energy or technology absorption. The company had no foreign exchange earnings or outgoings during the year under report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, that —

- (a) in the preparation of the annual accounts, the applicable

accounting standards have been followed along with proper explanation relating to material departures;

- (b) the directors have 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 and of the profit and loss of the company for that period;
- (c) the directors have 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 have prepared the annual accounts on a going concern basis; and
- (e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 26-9-2014), with the Ministry of Corporate Affairs.

VIGIL MECHANISM

It is proposed to put in place a Vigil Mechanism pursuant to Section 177 (9) and (10) of the Companies Act, 2013 for directors and employees to report genuine concerns if any. The Mechanism once it is established will be uploaded in the Company's website www.icdslimited.com. A Vigil Mechanism Policy is being finalized and adopted separately.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the services and co-operation extended by our Bankers, Investors and Members of Staff of the Company, during the year under report. Your directors also wish to thank the shareholders for their support.

Your directors also wish to place on record their deep sense of appreciation of the services rendered by the staff members at all levels.

For and on behalf of the Board of Directors

Sd/
Place : Manipal
Date : 07-08-2015

(T. Mohandas Pai)
Chairman & Whole-time Director



Annexure – II
FORM NO. AOC – 2

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

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil.
2. Details of contracts or arrangements or transactions at Arm's length basis : All related party transactions as covered u/s 188 of the Act were entered into during the period prior to 1-4-2014. Therefore making any further disclosures in Form AOC-2 does not arise.

Annexure – III
DECLARATION OF INDEPENDENCE

01st April, 2015

To
The Board of Directors
ICDS Ltd.
Regd. Office : Syndicate House
Manipal – 576 104

Sub.: Declaration of independence under Clause 49 of the Listing Agreement and sub-section (6) of Section 149 of the Companies Act, 2013.

I, Mr. K. M. Udupa, hereby certify that I am a Non-executive Independent Director of ICDS Ltd., Manipal and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Section 149(4) of the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have / had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;

- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs.50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

K. M. Udupa

(DIN 00143309)

Laxmi Farm, Near Mandarti Temple
Mandarti, Udupi – 576 223

DECLARATION OF INDEPENDENCE

01st April, 2015

To

The Board of Directors
ICDS Ltd.

Regd. Office : Syndicate House
Manipal – 576 104

Sub.: Declaration of independence under Clause 49 of the Listing Agreement and sub-section (6) of Section 149 of the Companies Act, 2013.

I, Mr. Bharath K. Nayak, hereby certify that I am a Non-executive Independent Director of ICDS Ltd., Manipal and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and Section 149(4) of the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Bharath K. Nayak

(DIN 00776729)

Sindhoora, Plot No.7
10th Cross, ALN Layout
Manipal – 576 104



DECLARATION OF INDEPENDENCE

01st April, 2015

To
The Board of Directors
ICDS Ltd.
Regd. Office : Syndicate House
Manipal – 576 104

Sub.: Declaration of independence under Clause 49 of the Listing Agreement and sub-section (6) of Section 149 of the Companies Act, 2013.

I, Mr. Airody Giridhar Pai, hereby certify that I am a Non-executive Independent Director of ICDS Ltd., Manipal and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and Section 149(4) of the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

- b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; or
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Airody Giridhar Pai
(DIN 00109985)
Ananth Nivas
Near City Bus Stand
Udupi – 576 101

DECLARATION OF INDEPENDENCE

01st April, 2015

To
The Board of Directors
ICDS Ltd.
Regd. Office : Syndicate House
Manipal – 576 104

Sub.: Declaration of independence under Clause 49 of the Listing Agreement and sub-section (6) of Section 149 of the Companies Act, 2013.

I, Mr. U. Harish P. Shenoy, hereby certify that I am a Non-executive Independent Director of ICDS Ltd., Manipal and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Section 149(4) of the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees/remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding,

- subsidary or associate company; or
- b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; or
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

U. Harish P. Shenoy
(DIN 00109884)
Vasudeva Sadana
V. T. Road, Tenkapete
Udupi – 576 101, KARNATAKA



Annexure – IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies

(Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

To

The Members

ICDS Ltd.

Regd. Office : "Syndicate House"

Manipal – 576 104

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICDS Limited (hereinafter called 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 ICDS Limited 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 audit period covering the financial year ended on 31-03-2015 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 ICDS Limited ("the Company") for the financial year ended on 31-03-2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial

Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(vi) Other laws applicable to the Company as per representation made by the Management.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meeting are not applicable to company during the year.
- (ii) The Listing agreements entered into by company with Bombay Stock Exchange and National Stock exchange.

I further report that, there were no action/events in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) 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;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review and as per the explanations and clarifications given to me and representations made by the Management, Shares trading has suspended from NSE since 27th June, 2002 and from BSE since 5th July, 1999, However Company has generally complied with listing Requirements.

During the period under review and as per the explanations and clarifications given to me and representation made by the Management, on 9th October 2002 RBI had cancelled NBFC licence of the Company; hence Company is not complying with RBI regulation, guidelines and Direction to NBFC since suspension of its Licence.

'ANNEXURE A'

During the period under review and as per the explanations and clarifications given to me and representation made by the Management, Company has generally complied with provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above. However Company *has not appointed Company Secretary as KMP and Compliance officer Appointed by Company is not the Member of ICSI.*

During the period under review and as per the explanations and clarifications given to me and representation made by the Management, *Lease Agreement entered by the Company, which are having tenure more than 11 months are not registered.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

During the period under review and as per the explanations and clarifications given to me and representation made by the Management, Women Director has not been appointed by the Company within the time limit specified under the Companies Act, 2013. However, Company has appointed Mrs. Vimal Chandrashekar Kamath as Director (Women Director) in response to notice issued by the Stock exchange.

I further report that as per explanation given to me and representation made by the management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no other specific events/actions in pursuance to above referred laws, rules, regulations, guidelines etc., having major bearing on the Company's affairs.

Sd/-
Shrinivas Devadiga
Membership No.: 22381
C. P. No.: 10372

Place : Manipal
Date : 24-07-2015

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

To,
The Members,
ICDS Limited
Regd. Office : "Syndicate House"
Manipal – 576 104

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report 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.

Sd/-
Shrinivas Devadiga
Membership No.: 22381
C. P. No.: 10372

Place : Manipal
Date : 24-07-2015

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31-03-2015

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

I. REGISTRATION AND OTHER DETAILS

- i) CIN:L65993KA1971PLC002106
- ii) Registration Date 21-10-1971
- iii) Name of the Company ICDS Ltd.
- iv) Category / Sub-Category of the Company
- v) Address of the Registered office and contact details SYNDICATE HOUSE, MANIPAL – 576 104, KARNATAKA
Ph.: 0820 2701500
- vi) Whether listed company Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any
CAMEO Corporate Services Ltd., Subramanian Building, No.1, Club House Road, Chennai – 600 002,
Tel. No. 044 28460390

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 and Description of Main Products/Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1.	-	-	-
2.	-	-	-

III. PARTICULARS SUBSIDIARY COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Manipal Properties Ltd. Regd. Off.: I Floor, Auras Corporate Centre, 98A, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004	U45201TN1999PLC043271	Subsidiary	99.89%	2(87)(ii)
2.	Manipal Hotels Ltd. Regd. Off.: I Floor, Auras Corporate Centre, 98A, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004	U55101TN1988PLC015585	Subsidiary	100.00%	2(87)(ii)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)											
i) Category-wise Shareholding											
Name of the Company		ICDS LIMITED									
Face Value		10 /-									
Paidup Shares as on 01-Apr.-2014		13026700									
Paidup Shares as on 31-Mar.-2015		13026700									
For the Period From		01-Apr.-2014			To : 31-Mar.-2015						
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	166291	335287	501578	3.8503	188467	335287	523754	4.0206	0.1702	
b.	Central Government/ State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000	
c.	Bodies corporate	936974	201468	1138442	8.7392	936974	201468	1138442	8.7392	0.0000	
d.	Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000	
e.	Any other										
	Directors and their relatives	713409	759755	1473164	11.3088	691233	759755	1450988	11.1385	-0.1702	
	Trusts	2248400	1332200	3580600	27.4866	2248400	1332200	3580600	27.4866	0.0000	
		2961809	2091955	5053764	38.7954	2939633	2091955	5031588	38.6251	-0.1702	
	Sub-total (A)(1)	4065074	2628710	6693784	51.3851	4065074	2628710	6693784	51.3851	0.0000	
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 shareholding of promoter and promoter group (A) = (A)(1)+(A)(2)	4065074	2628710	6693784	51.3851	4065074	2628710	6693784	51.3851	0.0000	

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	1012	3091	4103	0.0314	1012	3091	4103	0.0314	0.0000
c.	Central Government/ State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Venture capital funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Insurance companies	684813	0	684813	5.2569	684813	0	684813	5.2569	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)	685825	3091	688916	5.2884	685825	3091	688916	5.2884	0.0000
2.	Non-institutions									
a.	Bodies corporate	254579	54759	309338	2.3746	289259	50238	339497	2.6061	0.2315
b.	Individuals -									
	i. Individual shareholders holding nominal share capital upto Rs. 1 Lakh	372368	1467699	1840067	14.1253	374615	1458187	1832802	14.0695	-0.0557
	ii. Individual shareholders holding nominal Share Capital in excess of Rs. 1 Lakh	1327371	441540	1768911	13.5791	1339183	415781	1754964	13.4720	-0.1070
c.	Qualified foreign investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Any other									
	Hindu undivided families	72886	0	72886	0.5595	63939	0	63939	0.4908	-0.0686
	Non-resident Indians	2602	320	2922	0.0224	2602	320	2922	0.0224	0.0000
	Overseas corporate bodies	400000	0	400000	3.0706	400000	0	400000	3.0706	0.0000
	Trusts	1249876	0	1249876	9.5947	1249876	0	1249876	9.5947	0.0000
		1725364	320	1725684	13.2472	1716417	320	1716737	13.1786	-0.0686
	Sub-total (B)(2)	3679682	1964318	5644000	43.3263	3719474	1924526	5644000	43.3263	0.0000
	Total public shareholding (B) = (B)(1)+(B)(2)	4365507	1967409	6332916	48.6148	4405299	1927617	6332916	48.6148	0.0000
	Total (A)+(B)	8430581	4596119	13026700	100.0000	8470373	4556327	13026700	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)	8430581	4596119	13026700	100.0000	8470373	4556327	13026700	100.0000	0.0000

ii) Shareholding of promoters												
Name of the Company : ICDS LIMITED												
Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	FOLIO/DP_CL_ID	PAN	Pledged Shares at beginning of the Year	Pledged Shares at 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					
1	Teaching Fraternity and Education Trust	1858400	14.2660	0.0000	1858400	14.2660	0.0000	0.0000	IN30113526861457	AAATT2247A	0	0
2	T. Ranga Pai	669925	5.1427	0.0000	669925	5.1427	0.0000	0.0000	00006177		0	0
3	Sharath Investments Private Limited	505176	3.8780	0.0000	505176	3.8780	0.0000	0.0000	IN30113526493159	AACCS4695J	0	0
4	T. Ranga Pai	416675	3.1986	0.0000	416675	3.1986	0.0000	0.0000	00006178		0	0
5	Music and Fine arts education Trust	390000	2.9938	0.0000	390000	2.9938	0.0000	0.0000	IN30113526861473	AAATM3196P	0	0
6	T. Satish U. Pai jt1 : Sandhya S. Pai	334500	2.5678	0.0000	334500	2.5678	0.0000	0.0000	00006175		0	0
7	Manipal Prakashan Pvt. Ltd.	308453	2.3678	0.0000	308453	2.3678	0.0000	0.0000	IN30001110488173	AABCM2207K	0	0
8	Dr H. Shantaram	245600	1.8853	0.0000	245600	1.8853	0.0000	0.0000	00006176		0	0
9	T. Ashok Pai	178015	1.3665	0.0000	178015	1.3665	0.0000	0.0000	IN30088813426471	ACOPP0717D	0	0
10	Dr. Ramdas M. Pai	177121	1.3596	0.0000	177121	1.3596	0.0000	0.0000	IN30001110491642	ACOPP0720C	0	0
11	Manipal Finance Corporation Ltd.	112000	0.8597	0.0000	112000	0.8597	0.0000	0.0000	00003542		0	0
12	Vijayalaxmi N. Pai	103668	0.7958	0.0000	103668	0.7958	0.0000	0.0000	00003454		0	0
13	T. Satish U. Pai	87127	0.6688	0.0000	87127	0.6688	0.0000	0.0000	IN30001110491005	ADYPP0833B	0	0
14	T. Gayathri Pai	77441	0.5944	0.0000	77441	0.5944	0.0000	0.0000	IN30088813426463	ADYPP0831D	0	0
15	Vasanthi R. Pai	67596	0.5189	0.0000	67596	0.5189	0.0000	0.0000	IN30001110491714	ACOPP0716C	0	0
16	T. Mohandas Pai	58775	0.4511	0.0000	58775	0.4511	0.0000	0.0000	IN30088813021523	ACMPP4506A	0	0
17	T. Rajesh Pai	57390	0.4405	0.0000	57390	0.4405	0.0000	0.0000	00001440		0	0
18	Manipal Finance Corporation Ltd.	53531	0.4109	0.0000	53531	0.4109	0.0000	0.0000	IN30113526204233	AABCM2209H	0	0
19	Shivally Investment Company Private Limited	52086	0.3998	0.0000	52086	0.3998	0.0000	0.0000	IN30113526570200	AADCS6324F	0	0
20	T. Vittal Pai, MBBS	51150	0.3926	0.0000	51150	0.3926	0.0000	0.0000	00000353		0	0

21	Shaila R. Pai	49150	0.3773	0.0000	49150	0.3773	0.0000	0.0000	IN30001110491691	ADWPP6506D	0	0
22	Manipal Industries Ltd.	48387	0.3714	0.0000	48387	0.3714	0.0000	0.0000	00004771		0	0
23	Usha	45784	0.3514	0.0000	45784	0.3514	0.0000	0.0000	00001441		0	0
24	Sandhya S. Pai	43875	0.3368	0.0000	43875	0.3368	0.0000	0.0000	IN30001110491056	AEPPO602N	0	0
25	Ranjan R. Pai	43428	0.3333	0.0000	43428	0.3333	0.0000	0.0000	IN30001110491595	AGBPP2795G	0	0
26	T. Narayan M. Pai	41764	0.3206	0.0000	41764	0.3206	0.0000	0.0000	00003287		0	0
27	Latha P. Pai	39966	0.3068	0.0000	39966	0.3068	0.0000	0.0000	00000990		0	0
28	K. Gopala-Krishna a/s Nareesh Nayak	35304	0.2710	0.0000	35304	0.2710	0.0000	0.0000	00001320		0	0
29	Ranjan R. Pai	35040	0.2689	0.0000	35040	0.2689	0.0000	0.0000	00003470		0	0
30	Vasanthi R. Shenoy	29968	0.2300	0.0000	29968	0.2300	0.0000	0.0000	00000364		0	0
31	Sunithi P. Nayak	28828	0.2212	0.0000	28828	0.2212	0.0000	0.0000	00000363		0	0
32	Suresh	28800	0.2210	0.0000	28800	0.2210	0.0000	0.0000	00001523		0	0
33	Madhav Pai	26665	0.2046	0.0000	26665	0.2046	0.0000	0.0000	00003275		0	0
34	Sachin Pai	26665	0.2046	0.0000	26665	0.2046	0.0000	0.0000	00003281		0	0
35	The Canara Land Investments Ltd.	25935	0.1990	0.0000	25935	0.1990	0.0000	0.0000	00000365		0	0
36	K. Visvanath Kamath	25756	0.1977	0.0000	25756	0.1977	0.0000	0.0000	00000988		0	0
37	Vindhya T.	25273	0.1940	0.0000	25273	0.1940	0.0000	0.0000	00005147		0	0
38	Kundapur Vaman Kamath	22176	0.1702	0.0000	0	0.0000	0.0000	-0.1702	IN30018310189964	AAFPO659N	0	0
39	Sanjay Pai (Jt1 : Vijayalaxmi N. Pai	19009	0.1459	0.0000	19009	0.1459	0.0000	0.0000	IN30001110628805	ABVPP2745D	0	0
40	Ananth	18400	0.1412	0.0000	18400	0.1412	0.0000	0.0000	00002418		0	0
41	T. Harish Pai	18276	0.1402	0.0000	18276	0.1402	0.0000	0.0000	00001978		0	0
42	T. Gautham Pai	18136	0.1392	0.0000	18136	0.1392	0.0000	0.0000	IN30001110490947	ACZPP1142R	0	0
43	Manipal Media Network Limited	17728	0.1360	0.0000	17728	0.1360	0.0000	0.0000	IN30113526401857	AAACM8839Q	0	0
44	Vidya	17385	0.1334	0.0000	17385	0.1334	0.0000	0.0000	00002063		0	0
45	Indumathi B. Pai	16617	0.1275	0.0000	16617	0.1275	0.0000	0.0000	00002682		0	0
46	T. Sunil Pai	15924	0.1222	0.0000	15924	0.1222	0.0000	0.0000	00003480		0	0
47	Sangeetha	13632	0.1046	0.0000	13632	0.1046	0.0000	0.0000	00002664		0	0
48	Sharat Impex Company Private Ltd.	11849	0.0909	0.0000	11849	0.0909	0.0000	0.0000	00004440		0	0
49	M. D. Narayan	11200	0.0859	0.0000	11200	0.0859	0.0000	0.0000	IN30113526331385	AANPN8802C	0	0
50	Ratnakar S. Pai BS, MBBS	9840	0.0755	0.0000	9840	0.0755	0.0000	0.0000	00001786		0	0
51	Jayanthi R. Pai	9689	0.0743	0.0000	9689	0.0743	0.0000	0.0000	00001518		0	0

52	Dr. Ramdas M. Pai jt1 : Vasanthi R. Pai	8106	0.0622	0.0000	8106	0.0622	0.0000	0.0000	IN30113526352059	ACOPP0720C	0	0
53	Alaka R. Pai	7228	0.0554	0.0000	7228	0.0554	0.0000	0.0000	00003402		0	0
54	Asha K. Pai	5120	0.0393	0.0000	5120	0.0393	0.0000	0.0000	00005578		0	0
55	Vijayalaxmi N. Pai jt1 : T. Narayan M. Pai	4212	0.0323	0.0000	4212	0.0323	0.0000	0.0000	IN30001110628709	ACVPP9241P	0	0
56	Geetha P. Kamath	3939	0.0302	0.0000	3939	0.0302	0.0000	0.0000	00001844		0	0
57	Sangeetha	3860	0.0296	0.0000	3860	0.0296	0.0000	0.0000	00002905		0	0
58	Asha R. Kamath jt1 : Kamath R. L.	3693	0.0283	0.0000	3693	0.0283	0.0000	0.0000	IN30131320073350	AJJPk1758P	0	0
59	T. Narayan M. Pai jt1 : Vijayalaxmi N. Pai	3641	0.0279	0.0000	3641	0.0279	0.0000	0.0000	IN30088813467625	ACOPP0719P	0	0
60	Udipi Suresh Rao	3424	0.0262	0.0000	3424	0.0262	0.0000	0.0000	IN30243720009208	AAAPR6150J	0	0
61	Radhika Shetty	3120	0.0239	0.0000	3120	0.0239	0.0000	0.0000	00001783		0	0
62	Vasanth Shenoy	2915	0.0223	0.0000	2915	0.0223	0.0000	0.0000	00005394		0	0
63	K. Kamalaksha Pai	2737	0.0210	0.0000	2737	0.0210	0.0000	0.0000	00000367		0	0
64	Ranjana Shenoy Nathan	2560	0.0196	0.0000	2560	0.0196	0.0000	0.0000	00005577		0	0
65	Raghuvveer Shenoy Balkunje	2560	0.0196	0.0000	2560	0.0196	0.0000	0.0000	00005880		0	0
66	Hosali Press Private Ltd.	2000	0.0153	0.0000	2000	0.0153	0.0000	0.0000	00004659		0	0
67	Nita Pai jt1 : Vijayalaxmi N. Pai	1969	0.0151	0.0000	1969	0.0151	0.0000	0.0000	IN30113526704325	ABGPP8167Q	0	0
68	TVP Consult- ants Limited	1297	0.0099	0.0000	1297	0.0099	0.0000	0.0000	00005161		0	0
69	Kusuma P. Pai	1280	0.0098	0.0000	1280	0.0098	0.0000	0.0000	00005579		0	0
70	T. Radhika Pai	1280	0.0098	0.0000	1280	0.0098	0.0000	0.0000	00005580		0	0
71	Roshan B. Pai	800	0.0061	0.0000	800	0.0061	0.0000	0.0000	00004494		0	0
72	Kalsank Kamalaksha Pai	787	0.0060	0.0000	787	0.0060	0.0000	0.0000	00005989		0	0
73	Makonahalli Devegowda Balakrishna	672	0.0051	0.0000	672	0.0051	0.0000	0.0000	1203320007388377	AAMPB6954E	0	0

74	Gita Ranga Pai jt1 : Shyam- sunder Ranga Pai	480	0.0036	0.0000	480	0.0036	0.0000	0.0000	IN30290241102948	AAAPP6412H	0	0
75	Roopa M. Pai K.	315	0.0024	0.0000	315	0.0024	0.0000	0.0000	IN30113526830743	ACOPP0248B	0	0
76	Ranjan Pai Kochikar	280	0.0021	0.0000	280	0.0021	0.0000	0.0000	00001450		0	0
77	Sandhya D. Nayak	160	0.0012	0.0000	160	0.0012	0.0000	0.0000	00002701		0	0
78	H. N. Sheshagiri Rao	99	0.0007	0.0000	99	0.0007	0.0000	0.0000	IN30135620370285	AEFPS2988J	0	0
79	Dinesh Kudva	80	0.0006	0.0000	80	0.0006	0.0000	0.0000	00004839		0	0
80	Tara D. Kudva	52	0.0003	0.0000	52	0.0003	0.0000	0.0000	00000603		0	0
81	U. Harish P. Shenoy jt1 : U. Savitha H. Shenoy	40	0.0003	0.0000	40	0.0003	0.0000	0.0000	IN30088813082318	AGZPS7112A	0	0
82	Mr. K. V. Kamath jt1 : Mrs. Rajalakshmi Kamath	0	0.0000	0.0000	22176	0.1702	0.0000	0.1702	IN30018310000070	AAFPO659N	0	0
83	Bharath K. Nayak	0	0.0000	0.0000	0	0.0000	0.0000	0.0000		AASP2264K	0	0
84	K. M. Udupa	0	0.0000	0.0000	0	0.0000	0.0000	0.0000		AAEPU3802G	0	0
85	Airody Giridhar Pai	0	0.0000	0.0000	0	0.0000	0.0000	0.0000		ADKPP8931A	0	0
86	Mrs. Vimal C. Kamath	0	0.0000	0.0000	0	0.0000	0.0000	0.0000		ACJPC9375K	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)							
Name of the Company : ICDS LIMITED							
Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company		
1	Teaching Fraternity and Education Trust						
	At the beginning of the year 01-Apr.-2014	1858400	14.2660	1858400	14.2660	IN30113526861457	AAATT2247A
	At the end of the year 31-Mar.-2015	1858400	14.2660	1858400	14.2660		
2	T. Ranga Pai						
	At the beginning of the year 01-Apr.-2014	669925	5.1427	669925	5.1427	00006177	
	At the end of the year 31-Mar.-2015	669925	5.1427	669925	5.1427		
3	Sharath Investments Private Limited						
	At the beginning of the year 01-Apr.-2014	505176	3.8780	505176	3.8780	IN30113526493159	AACCS4695J
	At the end of the year 31-Mar.-2015	505176	3.8780	505176	3.8780		

4	T. Ranga Pai						
	At the beginning of the year 01-Apr.-2014	416675	3.1986	416675	3.1986	00006178	
	At the end of the year 31-Mar.-2015	416675	3.1986	416675	3.1986		
5	Music and Fine Arts Education Trust						
	At the beginning of the year 01-Apr.-2014	390000	2.9938	390000	2.9938	IN30113526861473	AAATM3196P
	At the end of the year 31-Mar.-2015	390000	2.9938	390000	2.9938		
6	T. Satish U. Pai jt1 : Sandhya S. Pai						
	At the beginning of the year 01-Apr.-2014	334500	2.5678	334500	2.5678	00006175	
	At the end of the year 31-Mar.-2015	334500	2.5678	334500	2.5678		
7	Manipal Prakashan Pvt. Ltd.						
	At the beginning of the year 01-Apr.-2014	308453	2.3678	308453	2.3678	IN30001110488173	AABCM2207K
	At the end of the year 31-Mar.-2015	308453	2.3678	308453	2.3678		
8	Dr. H. Shantaram						
	At the beginning of the year 01-Apr.-2014	245600	1.8853	245600	1.8853	00006176	
	At the end of the year 31-Mar.-2015	245600	1.8853	245600	1.8853		
9	T. Ashok Pai						
	At the beginning of the year 01-Apr.-2014	178015	1.3665	178015	1.3665	IN30088813426471	ACOPP0717D
	At the end of the year 31-Mar.-2015	178015	1.3665	178015	1.3665		
10	Dr. Ramdas M. Pai						
	At the beginning of the year 01-Apr.-2014	177121	1.3596	177121	1.3596	IN30001110491642	ACOPP0720C
	At the end of the year 31-Mar.-2015	177121	1.3596	177121	1.3596		
11	Manipal Finance Corporation Ltd.						
	At the beginning of the year 01-Apr.-2014	112000	0.8597	112000	0.8597	00003542	
	At the end of the year 31-Mar.-2015	112000	0.8597	112000	0.8597		
12	Vijayalaxmi N. Pai						
	At the beginning of the year 01-Apr.-2014	103668	0.7958	103668	0.7958	00003454	
	At the end of the year 31-Mar.-2015	103668	0.7958	103668	0.7958		
13	T. Satish U. Pai						
	At the beginning of the year 01-Apr.-2014	87127	0.6688	87127	0.6688	IN30001110491005	ADYPP0833B
	At the end of the year 31-Mar.-2015	87127	0.6688	87127	0.6688		
14	T. Gayathri Pai						
	At the beginning of the year 01-Apr.-2014	77441	0.5944	77441	0.5944	IN30088813426463	ADYPP0831D
	At the end of the year 31-Mar.-2015	77441	0.5944	77441	0.5944		
15	Vasanthi R. Pai						
	At the beginning of the year 01-Apr.-2014	67596	0.5189	67596	0.5189	IN30001110491714	ACOPP0716C
	At the end of the year 31-Mar.-2015	67596	0.5189	67596	0.5189		
16	T. Mohandas Pai						
	At the beginning of the year 01-Apr.-2014	58775	0.4511	58775	0.4511	IN30088813021523	ACMPP4506A
	At the end of the year 31-Mar.-2015	58775	0.4511	58775	0.4511		
17	T. Rajesh Pai						
	At the beginning of the year 01-Apr.-2014	57390	0.4405	57390	0.4405	00001440	
	At the end of the year 31-Mar.-2015	57390	0.4405	57390	0.4405		
18	Manipal Finance Corporation Ltd.						
	At the beginning of the year 01-Apr.-2014	53531	0.4109	53531	0.4109	IN30113526204233	AABCM2209H
	At the end of the year 31-Mar.-2015	53531	0.4109	53531	0.4109		

19	Shivally Investment Company Private Limited						
	At the beginning of the year 01-Apr.-2014	52086	0.3998	52086	0.3998	IN30113526570200	AADCS6324F
	At the end of the year 31-Mar.-2015	52086	0.3998	52086	0.3998		
20	T. Vittal Pai MBBS						
	At the beginning of the year 01-Apr.-2014	51150	0.3926	51150	0.3926	00000353	
	At the end of the year 31-Mar.-2015	51150	0.3926	51150	0.3926		
21	Shaila R. Pai						
	At the beginning of the year 01-Apr.-2014	49150	0.3773	49150	0.3773	IN30001110491691	ADWPP6506D
	At the end of the year 31-Mar.-2015	49150	0.3773	49150	0.3773		
22	Manipal Industries Ltd.						
	At the beginning of the year 01-Apr.-2014	48387	0.3714	48387	0.3714	00004771	
	At the end of the year 31-Mar.-2015	48387	0.3714	48387	0.3714		
23	Usha						
	At the beginning of the year 01-Apr.-2014	45784	0.3514	45784	0.3514	00001441	
	At the end of the year 31-Mar.-2015	45784	0.3514	45784	0.3514		
24	Sandhya S. Pai						
	At the beginning of the year 01-Apr.-2014	43875	0.3368	43875	0.3368	IN30001110491056	AEPPP0602N
	At the end of the year 31-Mar.-2015	43875	0.3368	43875	0.3368		
25	Ranjan R. Pai						
	At the beginning of the year 01-Apr.-2014	43428	0.3333	43428	0.3333	IN30001110491595	AGBPP2795G
	At the end of the year 31-Mar.-2015	43428	0.3333	43428	0.3333		
26	T. Narayan M. Pai						
	At the beginning of the year 01-Apr.-2014	41764	0.3206	41764	0.3206	00003287	
	At the end of the year 31-Mar.-2015	41764	0.3206	41764	0.3206		
27	Latha P. Pai						
	At the beginning of the year 01-Apr.-2014	39966	0.3068	39966	0.3068	00000990	
	At the end of the year 31-Mar.-2015	39966	0.3068	39966	0.3068		
28	K. Gopalakrishna A/S Naresh Nayak						
	At the beginning of the year 01-Apr.-2014	35304	0.2710	35304	0.2710	00001320	
	At the end of the year 31-Mar.-2015	35304	0.2710	35304	0.2710		
29	Ranjan R. Pai						
	At the beginning of the year 01-Apr.-2014	35040	0.2689	35040	0.2689	00003470	
	At the end of the year 31-Mar.-2015	35040	0.2689	35040	0.2689		
30	Vasanthi R. Shenoy						
	At the beginning of the year 01-Apr.-2014	29968	0.2300	29968	0.2300	00000364	
	At the end of the year 31-Mar.-2015	29968	0.2300	29968	0.2300		
31	Sunithi P. Nayak						
	At the beginning of the year 01-Apr.-2014	28828	0.2212	28828	0.2212	00000363	
	At the end of the year 31-Mar.-2015	28828	0.2212	28828	0.2212		
32	Suresh						
	At the beginning of the year 01-Apr.-2014	28800	0.2210	28800	0.2210	00001523	
	At the end of the year 31-Mar.-2015	28800	0.2210	28800	0.2210		
33	Madhav Pai						
	At the beginning of the year 01-Apr.-2014	26665	0.2046	26665	0.2046	00003275	
	At the end of the year 31-Mar.-2015	26665	0.2046	26665	0.2046		
34	Sachin Pai						
	At the beginning of the year 01-Apr.-2014	26665	0.2046	26665	0.2046	00003281	
	At the end of the year 31-Mar.-2015	26665	0.2046	26665	0.2046		

35	The Canara Land Investments Ltd.						
	At the beginning of the year 01-Apr.-2014	25935	0.1990	25935	0.1990	00000365	
	At the end of the year 31-Mar.-2015	25935	0.1990	25935	0.1990		
36	K. Visvanath Kamath						
	At the beginning of the year 01-Apr.-2014	25756	0.1977	25756	0.1977	00000988	
	At the end of the year 31-Mar.-2015	25756	0.1977	25756	0.1977		
37	Vindhya T.						
	At the beginning of the year 01-Apr.-2014	25273	0.1940	25273	0.1940	00005147	
	At the end of the year 31-Mar.-2015	25273	0.1940	25273	0.1940		
38	Kundapur Vaman Kamath						
	At the beginning of the year 01-Apr.-2014	22176	0.1702	22176	0.1702	IN30018310189964	AAFPK0659N
	Sale 02-May-2014	-22176	0.1702	-22176	0.1702		
	At the end of the year 31-Mar.-2015	0	0.0000	0	0.0000		
39	Sanjay Pai jt1 : Vijayalaxmi N. Pai						
	At the beginning of the year 01-Apr.-2014	19009	0.1459	19009	0.1459	IN30001110628805	ABVPP2745D
	At the end of the year 31-Mar.-2015	19009	0.1459	19009	0.1459		
40	Ananth						
	At the beginning of the year 01-Apr.-2014	18400	0.1412	18400	0.1412	00002418	
	At the end of the year 31-Mar.-2015	18400	0.1412	18400	0.1412		
41	T. Harish Pai						
	At the beginning of the year 01-Apr.-2014	18276	0.1402	18276	0.1402	00001978	
	At the end of the year 31-Mar.-2015	18276	0.1402	18276	0.1402		
42	T. Gautham Pai						
	At the beginning of the year 01-Apr.-2014	18136	0.1392	18136	0.1392	IN30001110490947	ACZPP1142R
	At the end of the year 31-Mar.-2015	18136	0.1392	18136	0.1392		
43	Manipal Media Network Limited						
	At the beginning of the year 01-Apr.-2014	17728	0.1360	17728	0.1360	IN30113526401857	AAACM8839Q
	At the end of the year 31-Mar.-2015	17728	0.1360	17728	0.1360		
44	Vidya						
	At the beginning of the year 01-Apr.-2014	17385	0.1334	17385	0.1334	00002063	
	At the end of the year 31-Mar.-2015	17385	0.1334	17385	0.1334		
45	Indumathi B. Pai						
	At the beginning of the year 01-Apr.-2014	16617	0.1275	16617	0.1275	00002682	
	At the end of the year 31-Mar.-2015	16617	0.1275	16617	0.1275		
46	T. Sunil Pai						
	At the beginning of the year 01-Apr.-2014	15924	0.1222	15924	0.1222	00003480	
	At the end of the year 31-Mar.-2015	15924	0.1222	15924	0.1222		
47	Sangeetha						
	At the beginning of the year 01-Apr.-2014	13632	0.1046	13632	0.1046	00002664	
	At the end of the year 31-Mar.-2015	13632	0.1046	13632	0.1046		
48	Sharat Impex Company Private Ltd.						
	At the beginning of the year 01-Apr.-2014	11849	0.0909	11849	0.0909	00004440	
	At the end of the year 31-Mar.-2015	11849	0.0909	11849	0.0909		

49	M. D. Narayan						
	At the beginning of the year 01-Apr.-2014	11200	0.0859	11200	0.0859	IN30113526331385	AANPN8802C
	At the end of the year 31-Mar.-2015	11200	0.0859	11200	0.0859		
50	Ratnakar S. Pai, BS MBBS						
	At the beginning of the year 01-Apr.-2014	9840	0.0755	9840	0.0755	00001786	
	At the end of the year 31-Mar.-2015	9840	0.0755	9840	0.0755		
51	Jayanthi R. Pai						
	At the beginning of the year 01-Apr.-2014	9689	0.0743	9689	0.0743	00001518	
	At the end of the year 31-Mar.-2015	9689	0.0743	9689	0.0743		
52	Dr. Ramdas M. Pai jt1 : Vasanthi R. Pai						
	At the beginning of the year 01-Apr.-2014	8106	0.0622	8106	0.0622	IN30113526352059	ACOPP0720C
	At the end of the year 31-Mar.-2015	8106	0.0622	8106	0.0622		
53	Alaka R. Pai						
	At the beginning of the year 01-Apr.-2014	7228	0.0554	7228	0.0554	00003402	
	At the end of the year 31-Mar.-2015	7228	0.0554	7228	0.0554		
54	Asha K. Pai						
	At the beginning of the year 01-Apr.-2014	5120	0.0393	5120	0.0393	00005578	
	At the end of the year 31-Mar.-2015	5120	0.0393	5120	0.0393		
55	Vijayalaxmi N. Pai jt1 : T. Narayan M. Pai						
	At the beginning of the year 01-Apr.-2014	4212	0.0323	4212	0.0323	IN30001110628709	ACVPP9241P
	At the end of the year 31-Mar.-2015	4212	0.0323	4212	0.0323		
56	Geetha P. Kamath						
	At the beginning of the year 01-Apr.-2014	3939	0.0302	3939	0.0302	00001844	
	At the end of the year 31-Mar.-2015	3939	0.0302	3939	0.0302		
57	Sangeetha						
	At the beginning of the year 01-Apr.-2014	3860	0.0296	3860	0.0296	00002905	
	At the end of the year 31-Mar.-2015	3860	0.0296	3860	0.0296		
58	Asha R. Kamath jt1 : Kamath R. L.						
	At the beginning of the year 01-Apr.-2014	3693	0.0283	3693	0.0283	IN30131320073350	AJJPK1758P
	At the end of the year 31-Mar.-2015	3693	0.0283	3693	0.0283		
59	T. Narayan M. Pai jt1 : Vijayalaxmi N. Pai						
	At the beginning of the year 01-Apr.-2014	3641	0.0279	3641	0.0279	IN30088813467625	ACOPP0719P
	At the end of the year 31-Mar.-2015	3641	0.0279	3641	0.0279		
60	Udipi Suresh Rao						
	At the beginning of the year 01-Apr.-2014	3424	0.0262	3424	0.0262	IN30243720009208	AAAPR6150J
	At the end of the year 31-Mar.-2015	3424	0.0262	3424	0.0262		
61	Radhika Shetty						
	At the beginning of the year 01-Apr.-2014	3120	0.0239	3120	0.0239	00001783	
	At the end of the year 31-Mar.-2015	3120	0.0239	3120	0.0239		
62	Vasanth Shenoy						
	At the beginning of the year 01-Apr.-2014	2915	0.0223	2915	0.0223	00005394	
	At the end of the year 31-Mar.-2015	2915	0.0223	2915	0.0223		
63	K. Kamalaksha Pai						
	At the beginning of the year 01-Apr.-2014	2737	0.0210	2737	0.0210	00000367	
	At the end of the year 31-Mar.-2015	2737	0.0210	2737	0.0210		

64	Ranjana Shenoy Nathan						
	At the beginning of the year 01-Apr.-2014	2560	0.0196	2560	0.0196	00005577	
	At the end of the year 31-Mar.-2015	2560	0.0196	2560	0.0196		
65	Raghuvveer Shenoy Balkunje						
	At the beginning of the year 01-Apr.-2014	2560	0.0196	2560	0.0196	00005880	
	At the end of the year 31-Mar.-2015	2560	0.0196	2560	0.0196		
66	Hosali Press Private Ltd.						
	At the beginning of the year 01-Apr.-2014	2000	0.0153	2000	0.0153	00004659	
	At the end of the year 31-Mar.-2015	2000	0.0153	2000	0.0153		
67	Nita Pai jt1 : Vijayalaxmi N. Pai						
	At the beginning of the year 01-Apr.-2014	1969	0.0151	1969	0.0151	IN30113526704325	ABGPP8167Q
	At the end of the year 31-Mar.-2015	1969	0.0151	1969	0.0151		
68	TVP Consultants Limited						
	At the beginning of the year 01-Apr.-2014	1297	0.0099	1297	0.0099	00005161	
	At the end of the year 31-Mar.-2015	1297	0.0099	1297	0.0099		
69	Kusuma P. Pai						
	At the beginning of the year 01-Apr.-2014	1280	0.0098	1280	0.0098	00005579	
	At the end of the year 31-Mar.-2015	1280	0.0098	1280	0.0098		
70	T. Radhika Pai						
	At the beginning of the year 01-Apr.-2014	1280	0.0098	1280	0.0098	00005580	
	At the end of the year 31-Mar.-2015	1280	0.0098	1280	0.0098		
71	Roshan B. Pai						
	At the beginning of the year 01-Apr.-2014	800	0.0061	800	0.0061	00004494	
	At the end of the year 31-Mar.-2015	800	0.0061	800	0.0061		
72	Kalsank Kamalaksha Pai						
	At the beginning of the year 01-Apr.-2014	787	0.0060	787	0.0060	00005989	
	At the end of the year 31-Mar.-2015	787	0.0060	787	0.0060		
73	Makonahalli Devegowda Balakrishna						
	At the beginning of the year 01-Apr.-2014	672	0.0051	672	0.0051	1203320007388377	AAMPB6954E
	At the end of the year 31-Mar.-2015	672	0.0051	672	0.0051		
74	Gita Ranga Pai jt1 : Shyamsunder Ranga Pai						
	At the beginning of the year 01-Apr.-2014	480	0.0036	480	0.0036	IN30290241102948	AAAPP6412H
	At the end of the year 31-Mar.-2015	480	0.0036	480	0.0036		
75	Roopa M. Pai K.						
	At the beginning of the year 01-Apr.-2014	315	0.0024	315	0.0024	IN30113526830743	ACOPP0248B
	At the end of the year 31-Mar.-2015	315	0.0024	315	0.0024		
76	Ranjan Pai Kochikar						
	At the beginning of the year 01-Apr.-2014	280	0.0021	280	0.0021	00001450	
	At the end of the year 31-Mar.-2015	280	0.0021	280	0.0021		
77	Sandhya D. Nayak						
	At the beginning of the year 01-Apr.-2014	160	0.0012	160	0.0012	00002701	
	At the end of the year 31-Mar.-2015	160	0.0012	160	0.0012		
78	H. N. Sheshagiri Rao						
	At the beginning of the year 01-Apr.-2014	99	0.0007	99	0.0007	IN30135620370285	AEFPS2988J
	At the end of the year 31-Mar.-2015	99	0.0007	99	0.0007		

79	Dinesh Kudva						
	At the beginning of the year 01-Apr.-2014	80	0.0006	80	0.0006	00004839	
	At the end of the year 31-Mar.-2015	80	0.0006	80	0.0006		
80	Tara D. Kudva						
	At the beginning of the year 01-Apr.-2014	52	0.0003	52	0.0003	00000603	
	At the end of the year 31-Mar.-2015	52	0.0003	52	0.0003		
81	U. Harish P. Shenoy jt1 : U. Savitha H. Shenoy						
	At the beginning of the year 01-Apr.-2014	40	0.0003	40	0.0003	IN30088813082318	AGZPS7112A
	At the end of the year 31-Mar.-2015	40	0.0003	40	0.0003		
82	Mr. K. V. Kamath jt1 : Mrs. Rajalakshmi Kamath						
	At the beginning of the year 01-Apr.-2014	0	0.0000	0	0.0000	IN30018310000070	AAFPK0659N
	Purchase 02-May-2014	22176	0.1702	22176	0.1702		
	At the end of the year 31-Mar.-2015	22176	0.1702	22176	0.1702		

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

Name of the Company : ICDS LIMITED							
Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	Mahendra Girdharilal						
	At the beginning of the year 01-Apr.-2014	1215023	9.3271	1215023	9.3271	IN30045010599444	AAAPW1327L
	At the end of the year 31-mar.-2015	1215023	9.3271	1215023	9.3271		
2	The Academy of General Education						
	At the beginning of the year 01-Apr.-2014	868488	6.6669	868488	6.6669	IN30113526028949	AAATA2976P
	At the end of the year 31-mar.-2015	868488	6.6669	868488	6.6669		
3	Life Insurance Corporation of India						
	At the beginning of the year 01-Apr.-2014	677001	5.1970	677001	5.1970	IN30081210000012	AAACL0582H
	At the end of the year 31-mar.-2015	677001	5.1970	677001	5.1970		
4	Saraswati Holding Corporation Inc.						
	At the beginning of the year 01-Apr.-2014	400000	3.0706	400000	3.0706	IN30009510077831	
	At the end of the year 31-mar.-2015	400000	3.0706	400000	3.0706		
5	Kasturba Medical College Trust						
	At the beginning of the year 01-Apr.-2014	220363	1.6916	220363	1.6916	IN30113526866898	AAATK2063K
	At the end of the year 31-mar.-2015	220363	1.6916	220363	1.6916		
6	T. Ramesh U. Pai						
	At the beginning of the year 01-Apr.-2014	171006	1.3127	171006	1.3127	00000625	

	At the end of the year 31-mar.-2015	171006	1.3127	171006	1.3127		
7	Manipal Holdings Private Limited						
	At the beginning of the year 01-Apr.-2014	157524	1.2092	157524	1.2092	IN30113526756158	AABCM3499B
	At the end of the year 31-mar.-2015	157524	1.2092	157524	1.2092		
8	Manipal Institute of Technology Trust						
	At the beginning of the year 01-Apr.-2014	150545	1.1556	150545	1.1556	IN30113526867093	AAATM3198D
	At the end of the year 31-mar.-2015	150545	1.1556	150545	1.1556		
9	B. Raghuram Shetty jt1 : Chandrakumari Raghuram Shetty						
	At the beginning of the year 01-Apr.-2014	76497	0.5872	76497	0.5872	00004708	
	At the end of the year 31-Mar.-2015	76497	0.5872	76497	0.5872		
10	Sadashiva Pai B.						
	At the beginning of the year 01-Apr.-2014	48748	0.3742	48748	0.3742	IN30113526865723	ADCPP4822A
	Demated 30-May-2014	160	0.0012	160	0.0012	00006195	
	At the end of the year 31-Mar.-2015	48908	0.3754	48908	0.3754		
	Having same PAN						
10	Sadashiva Pai B.						
	At the beginning of the year 01-Apr.-2014	6907	0.0530	6907	0.0530	IN30267931638125	ADCPP4822A
	Sale 22-Aug-2014	-6907	0.0530	-6907	0.0530		
	At the end of the year 31-Mar.-2015	0	0.0000	0	0.0000		
	Having same PAN						
10	Sadashiva Pai B.						
	At the beginning of the year 01-Apr.-2014	30	0.0002	30	0.0002	00004825	ADCPP4822A
	At the end of the year 31-Mar.-2015	30	0.0002	30	0.0002		
	New top 10 as on (31-Mar.-2015)						

v) Shareholding of Directors and Key Managerial Personnel:

Name of the Company : ICDS LIMITED							
Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	T. Mohandas Pai	58775	0.45	58775	0.45	IN300888/13021523	ACMPP45067
2	H. N. S. Rao	99	0.00	99	0.00	IN301356/20370285	AEFPS2988J
3	Bharat K. Nayak	0	0.00	0	0.00	-	AASPN2264K
4	Harish P. Shenoy	40	0.00	40	0.00	5581	AGZPS7112A
5	K. M. Udupa	0	0.00	0	0.00	-	AAEPU3802G
6	Airody Girdhar Pai	0	0.00	0	0.00	-	ADKPP8931A
7	Mrs. Vimal C. Karnath	0	0.00	0	0.00	-	ACJPC9375K
8	Govindaraya R. Nayak	0	0.00	0	0.00	-	ABIPN5199C

V. INDEBTEDNESS

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

Rs. in Thousands

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	47840	439	-	48279
ii) Interest due but not Paid	-	-	-	-
iii) Interest accrued but not due	-	58236	-	58236
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	34701	822	-	35523
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	13139	439	-	13578
ii) Interest due but not Paid	-	-	-	-
iii) Interest accrued but not due	-	57414	-	57414
Total (i+ii+iii)	13139	57853		70992

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-	-	-	-	
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act					

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Bharath K. Nayak	K. M. Udupa	A. Girdhar Pai	U. Harish Shenoy	
1.	Independent Directors					
	• Fee for attending board committee meetings	6000	6000	6000	6000	24000.00
	• Commission	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	6000	6000	6000	6000	24000.00
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	H. N. S. Rao 1500				
	• Commission	Nil				
	• Others, please specify	Nil				
	Total (2)	1500	0	0	0	1500.00
	Total (B)=(1+2)	7500	6000	6000	6000	25500.00
	Total Managerial Remuneration					25500.00
	Overall Ceiling as per the Act	Within limit				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil	3,35,292.00	3,35,292.00
				21,000.00	21,000.00
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission – as % of profit – others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	3,56,292.00	3,56,292.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

Salient features of financial statements of Subsidiary/Associate Companies as per the Companies Act, 2013 (Amount in Rs.)

Sl. No.	Name of the Subsidiary/Associate	Financial Year Ending on	Share Capital	Share Warrants	Share Application Money	Reserves & Surplus	Total Assets	Total Liabilities	Details of Investment (Except incase of investment in subsidiaries)			Turnover (Incl. other Income)	Profit Before tax	Provision for Current & Deferred Tax	Profit after Tax	Proposed Dividend
									Shares	Mutual Funds	Total of Investments					
1.	Manipal Hotels Ltd. (Subsidiary)	MARCH 31, 2015	5,00,000	Nil	Nil	(4,78,993)	78,64,971	78,64,971	Nil	Nil	Nil	0	(8,502)	Nil	(8,502)	Nil
2.	Manipal Properties Ltd. (Subsidiary)	MARCH 31, 2015	10,00,000	Nil	Nil	19,80,389	3,05,55,710	3,05,55,710	Nil	Nil	Nil	53,18,855	12,86,726	2,45,186	10,41,540	Nil
3.	Blue Cross Builders & Investors Ltd. (Associate)	MARCH 31, 2014	21,00,000	Nil	Nil	(5,89,22,960)	28,69,924	28,69,924	Nil	Nil	Nil	3,45,257	59,62,760	52,220	59,10,540	Nil



CORPORATE GOVERNANCE REPORT

Corporate Governance Code

The Directors present the Company's report on Corporate Governance as on 31st March, 2015 as required under Clause 49 of the Listing Agreement.

1. Philosophy:

The Company believes in good corporate governance and has taken efforts to implement the same wherever possible in the present circumstances.

2. Board of Directors:

The Board comprised of six Directors, of which one is executive and five non-executives.

The non-executive Directors are eminent personalities with experience in Banking, Management and Finance etc. The Board oversees as to how the management serves and protects the long-term interest of all the stakeholders.

The Board of Directors at their meeting held on 19th May, 2015 appointed Mrs. Vimal Chandrashekhar Kamath (DIN 07182821) as Director under Section 149(1) of the Companies Act, 2013 and Clause 49(II)(A)(1) of the Listing Agreement.

- i) Number of Board Meeting and Attendance of Directors:
The Board met 4 times during financial year 2014-2015. The details are as follows:

Date of Meeting	Board Strength	No. of Directors Present
30 th May, 2014	6	6
13 th August, 2014	6	6
14 th November, 2014	6	5
11 th February, 2015	6	6

The last AGM was held on 26th September, 2014 and all 6 Directors attended the AGM.

- ii) The Composition of Board of Directors, their directorships in other companies and memberships in committees and the details of their attendance at the Board Meetings are given below:

Sl. No.	Name of the Directors	Category of Directorships	No. of Meetings attended	Attendance at last AGM	No. of other Directorship	No. of Board committees in which Chairman (C) Member (M)
1.	Sri T. Mohandas Pai	Promoter Executive	4	Yes	4	3(M)
2.	Sri H. N. S. Rao	Non-Executive	4	Yes	4	1(M)
3.	Sri Bharath K. Nayak	Non-Executive	3	Yes	12	2(C)
4.	Sri K. M. Udupa	Non-Executive	4	Yes	1	2(M)
5.	Sri Airody Giridhar Pai	Non-Executive	4	Yes	1	2(M)
6.	Sri U. Harish P. Shenoy	Non-Executive	4	Yes	1	5(M)

3. Audit Committee:

The Audit Committee comprised of the following members of the Board:

Sri Bharath K. Nayak, Chairman
Sri K. M. Udupa, Member
Sri Airody Giridhar Pai, Member
Sri U. Harish P. Shenoy, Member

The role and terms of reference of Audit Committee cover the areas mentioned under Clause 49 of the Listing Agreement and Section 179 of the Companies Act, 2013, besides other terms referred to by the Board of Directors from time to time. During the year, the Committee met on 30th May, 2014, 13th August, 2014, 14th November, 2014 and 11th February, 2015. Mr. Bharath K. Nayak, Director is the Compliance Officer.

Attendance of the Directors at the Audit Committee Meeting:

Meeting held on	No. of Members present
30 th May, 2014	4
13 th August, 2014	4
14 th November, 2014	3
11 th February, 2015	4

4. Nomination and Remuneration Committee:

This Committee will attend to the function relating to review of remuneration policy, changes to be effected in the policy from time to time and other aspects of remuneration to the Directors and Key Managerial Personnel from time to time.

Sri T. Mohandas Pai is the only Whole-time Director of the Company and he does not draw any remuneration.

Details of remuneration for the year ended 31st March, 2015:

- i) Whole-time Director: Nil
ii) Non-Executive Directors & Independent Directors: Non-Executive Directors and Independent Directors were paid remuneration by way of sitting fees for attending Board Meetings.
iii) Key Managerial Personnel: Details of remuneration paid Chief Financial Officer of the Company has been furnished in the Annexure I. Form MGT-9 which forms part of the Boards' Report.

5. Stakeholders Relationship Committee:

The Committee approves transfer, transmission, issue of duplicate Debenture Certificates and Sub-ordinated Debts, review and redress shareholders grievances/complaints on matters relating to transfer of shares, debentures, sub-ordinated debts, non-receipt of Balance Sheet, non-receipt of Dividend Warrants, etc. The Committee met 4 times during the year under report.

The Composition of Shareholders'/Investors Grievance Committee and attendance of the members in the meeting is given below:

Name	Status	No. of Meetings Attended
Mr. Bharath K. Nayak	Independent Director	3
Mr. K. M. Udupa	Independent Director	4
Mr. A. Giridhar Pai	Independent Director	4
Mr. U. Harish P. Shenoy	Independent Director	4

Mr. Bharath K. Nayak, Director is the Compliance Officer.
 Number of Shareholders Complaints received: 16
 Number of Shareholders Complaints settled: 16
 Number not solved to the satisfaction of the Shareholders: Nil
 Number of pending Share transfers: Nil

6. Annual General Meetings:

The last three Annual General Meetings were held in Rotary Hall, Manipal – 576 104.

AGM No.	Date	Time	Special Resolution Required
41	27-08-2012	4.00 p.m.	NIL
42	23-09-2013	4.00 p.m.	NIL
43	26-09-2014	4.00 p.m.	NIL

All the resolutions as set out in the respective notices were passed by the shareholders.

Postal Ballot:

The Notice of 44th Annual General Meeting does not contain any item which required approval by Postal Ballot.

7. Disclosures :

National Stock Exchange suspended trading in equity shares of the company w.e.f. 27th June, 2002 for non-submission of the Board Meeting notices for the quarters ended 30th September, 2000, 31st December, 2000 and 31st March, 2001 and non-submission of Limited Review Report for the half-year ended 31st December, 2000. The lapse was due to restructuring the operation of the Company during the relevant period, due to which the exact impact of the reorganization could not be crystallized as on the reporting date. We had however, requested National Stock Exchange to condone the lapses and revoke the suspension which is still pending.

None of the transactions with the directors or their relatives, management personnel and / or subsidiaries conflicts with the interest of the Company. Attention of the members is drawn to the disclosure of transaction with related parties set out in Notes to Financial Statements forming part of the Annual Report.

All related party transactions are entered into, on arms length basis and are only intended to further the interests of the Company.

8. Means of Communication:

- Quarterly/Half yearly Financial Results of the Company are forwarded to National Stock Exchange and are made available on the Company's Website

www.icdslimited.com and also published in News Papers in terms of Clause 41 of the Listing Agreement.

- Company has not made any presentations to any Institutional Investors / Analyst during the year.

Management Discussion and Analysis Report:

Review of Operations:

The present activity of the company is restricted to recovery of overdue of Hire Purchase Installments/Lease Installments, Loans and other dues and repayment of balance of Public Liabilities as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka.

In order to generate some income to partly meet the establishment expenses, the Company has been engaged as Corporate Agent for Life and General Insurance Companies. The Company has also taken up distributorship of Sistema Shyam Teleservices Ltd. for their MTS mobile phones, dealership of Videocon & Intex brand handsets etc. and accessories at Coimbatore and Salem areas in the State of Tamilnadu.

Business Review:

During the year under review, the Company recovered/realised an amount of Rs.256.48 Lakhs from various sources such as Recovery of Bad and Doubtful Debts, Demerger Receivables from Manipal Properties Ltd. The figure also include fee based income earned from other activities like service charges under Insurance Agency and Telecom Franchise, Dividend Income and rental income.

Payment of Public Liabilities:

The Final installment payable under the Scheme of Arrangement was on 30th June, 2010. In spite of sending letters, reminders to various investors, 10,515 investors have not surrendered the original certificates of investments to take back their investment and interest. Further some of the investors have not either presented the cheque issued in their favour in settlement of their dues or the instruments were lost in transit. The aggregate amount of investments still lying with the Company is Rs.294 Lakhs. In addition, interest payable to the investors as per the Scheme of Arrangement upto 15th July, 2002 amounting to Rs.285 Lakhs has not yet been claimed by the investors as they are required to claim by producing original investment certificates. Arrangements are in place to pay the claims received from investors as and when the original investment certificates lodged by such investors.

Transfer of Unclaimed Public Liabilities to Investors Education & Protection Fund (IEPF) formed by the Govt. of India, u/s 205 (C) of the Companies Act, 1956.

The public liabilities which were not claimed by the investors as on 31st March, 2015 pertaining to Installment of category I of the Scheme, i.e. Face value of investment of less than Rs.10,000 was Rs.Nil. However unclaimed/unencashed cheques amounting to Rs.1,58,395/- remaining unpaid has been remitted to IEPF.

The Company has sent individual letters to all the investors to claim their investment/interest by tendering the original certificates failing which the company will be compelled to remit the same to IEPF by 31st July, 2015.

Discussion on Financial Performance:

The discussion on financial performance and future business plan of the Company is covered in the Director's Report.

Human Resource Development:

There has been no material development on the Human Resources front. The number of people employed as on 31st March, 2015 was 41 as against the previous year's figure of 55.

General Shareholder Information:

- a) Annual General Meeting : 44th Annual General Meeting
Day & Date : Monday, 28th day of September, 2015
Time : 4.00 p.m.
Venue : Rotary Hall, Ananth Nagar
Manipal – 576 104, Udipi District
- b) Financial Calendar : 1st April to 31st March
- c) Date of Book Closure : 25-09-2015 to 28-09-2015 (both days inclusive)
- d) Dividend : No Dividend has been recommended by the Board of Directors for the year ended 31st March, 2015.
- e) Registered Office : Syndicate House, Manipal – 576 104.
- f) Listing on Stock Exchanges : The equity shares are listed on National Stock Exchange of India Ltd.

Note: Annual Listing Fee has been paid upto date.

- g) a) Stock Code : ICDS LTD. EQ. (NSE)
b) Dematerialization of Shares : ISIN No. INE 613B01010
c) Email : cmli@nse.co.in
d) Website : www.nseindia.com

As on 31st March, 2015, 84,70,373 No. Equity Shares forming 65.02% of the share capital of the Company stands dematerialized (Previous Year: 84,30,581 No. equity shares forming 64.72%).

- h) Market Price Data : Not Available.

Note: There had been no trading in our Equity Shares in National Stock Exchange from June, 2002.

- i) Registrar and Share Transfer Agent for Physical and Demat Shares:

Cameo Corporate Services Ltd.
Subramanian Building
No.1, Club House Road
Chennai – 600 002
Phone : (044-28460390)
Email : investor@cameoindia.com

- j) **Share Transfer System:**

As directed by SEBI, Company has appointed Cameo Corporate Services Ltd., V Floor, Subramanian Building, No.1 Club House Road, Chennai – 600 002, as Registrar and Share Transfer Agent under demat and physical form effective March, 2003. Till this date Share Transfers etc., were done in-house once in two weeks. The shareholders/investor's Grievance Committee approves all share transfer and transmission upon its receipt from the Registrars.

- k) **Distribution of Equity Shareholding as on 31st March, 2015**

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	4671	82.7851	746534	74,65,340	5.7307
5001 - 10000	520	9.2149	361738	36,17,380	2.7768
10001 - 20000	224	3.9695	3,11,932	31,19,320	2.3945
20001 - 30000	69	1.2227	171952	17,19,520	1.3199
30001 - 40000	35	0.6202	126114	12,61,140	0.9681
40001 - 50000	15	0.2658	67131	6,71,310	0.5153
50001 - 100000	25	0.4430	1,81,276	18,12,760	1.3915
100001- And Above	84	1.4885	11060023	11,06,00,230	84.9027
Total :	5643	100.00	1,30,26,700	13,02,67,000	100.00

Pattern of Equity Shareholding as on 31st March, 2015

Shareholders	No. of Shares held	Percentage
Foreign Body Corporate	400,000	3.07
Directors, Relatives, Friends and Associates	6,693,784	51.39
Financial Institutions	684,813	5.26
Banks	4,103	0.03
Other Corporate Bodies	339,497	2.60
Others	4,904,503	37.65
TOTAL	13,026,700	100.00

- l) **Plant Locations: NIL**

- m) **Company's Website : www.icdslimited.com**

- n) **Address for Investor's Correspondence:**

Secretarial Department

ICDS Ltd.

Regd. Office: Syndicate House, MANIPAL – 576 104

Phone: (0820) 2701500

Email: hnsrao@icdslimited.com

DECLARATION

As provided under Clause 49 of the Listing Agreement with National Stock Exchange of India Limited (NSEIL) and Bombay Stock Exchange Ltd, (BSE) all Board Members and Senior Management Personnel affirmed compliance with ICDS Ltd., Code of Conduct and Ethics for the year ended 31st March, 2015.

Place : Manipal
Date : 19-05-2015

For ICDS Ltd.
Sd/-
T. Mohandas Pai
Chairman & Whole-time Director

WHOLE-TIME DIRECTOR/CFO CERTIFICATION

To
The Board of Directors
ICDS Ltd.
Manipal
We Chairman & Whole-time Director appointed in terms of the Companies Act, 2013 and Chief Financial Officer of the Company certify to the Board that:

- (a) We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief.
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, laws and regulations.
- (b) To the best of our knowledge and belief, no transactions are entered into by the company during the year which

are fraudulent, illegal or violative of the Company's code of conduct.

- (c) That we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company.
- (d) We have indicated to the Auditors and Audit Committee:
- (i) No significant changes have taken place in internal control process during the year.
- (ii) No significant changes in accounting policies during the year.

Sd/-
Chief Financial Officer

For ICDS Ltd.
Sd/-
Chairman & Whole-time Director

Place : Manipal
Date : 19-05-2015

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To: The Members of ICDS Limited

I have examined the Compliance of the conditions of Corporate Governance by ICDS Ltd. ("the Company") for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion and to the best of our information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, except that,

- The Company has not appointed Company Secretary 'KMP' after resignation of the Company Secretary on 30-01-06.

I state that,

- In respect of shareholder grievances received during the year ended March 31, 2015, no shareholder grievances are pending against the Company as on 31st March, 2015 as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.
- In respect of investors grievances as regards to repayment of debentures / deposits on maturity I am informed that the same is being repaid in terms of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka.

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

Place : Manipal
Date : 24-07-2015

Shrinivas Devadiga
Membership No.: 22381
C. P. No.: 10372



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ICDS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of ICDS Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we 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 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 March 31, 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- The Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 issued by Reserve Bank of India (RBI) is not reported, in view of the cancellation of Certificate of Registration of Non-Banking Financial Company by Reserve Bank of India on October 9, 2002.
- As required by Section 143(3) of the Act, we report that:
 - we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - 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;
 - in our 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;
 - on the basis of the written representations received

from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

- f) 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 our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note nos. 2.25 to the standalone financial statements.
 - ii. The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been delay in transferring the amount due to Investor Education and Protection Fund (IEPF) amounting to Rs.158 thousands. Further, the Company's liabilities (including public deposits along with interest accrued thereon) were restructured as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka vide its Order dated

October 15, 2004, which remains unclaimed by the instrument holders (including cheques issued but not encashed by the instrument holders) to the extent of Rs. 3,063 thousands, Rs. 5,930 thousands and Rs.7,459 thousands, were required to be transferred to IEPF on June 30, 2012, June 30, 2013 and June 30, 2014 respectively and not transferred to IEPF in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. However, the management is of the opinion that same is not due to IEPF as explained in Note No. 2.06 (b) of the standalone financial statements.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration Number : 101720W

Chandan Lala
Partner
Membership Number: 35671

Place : Mumbai
Date : 19-05-2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the Annexure referred to in our report to the members of ICDS Limited ('the Company') for the year ended March 31, 2015 in Paragraph 1 of Report on Other Legal and Regulatory Requirements, we report that :

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the fixed assets of the Company other than those under lease have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no discrepancies were noticed on such verification.
- 2) a) The inventory has been physically verified by the management at the year end and in our opinion, the frequency of such verification is reasonable.
- b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining

proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

- 3) As per the information and explanation given to us, the Company has granted interest bearing unsecured loans to one of its wholly owned subsidiary listed in the register maintained under Section 189 of the Act.
 - a) There is no stipulation regarding repayment of principal amount and interest.
 - b) There are no overdue amounts remaining outstanding as at the year-end.
- 4) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of the business for the purchase of inventory, fixed assets and sale of goods and services. Further, on the basis of our examination of books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuous failure to correct major weakness in the aforesaid internal control systems.
- 5) In our opinion and according to the information and explanation given to us, the Company has not accepted

any deposits from public after the enactment of this Act as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable.

The Company's liabilities existing prior to enactment of this Act, (including public deposits along with interest accrued thereon) were restructured as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka vide its order dated October 15, 2004. Accordingly, the Company has repaid its public liabilities, except to the extent unclaimed / cheques issued but not encashed by the instrument holders. We are informed by the management of the Company that there are no other orders by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- 6) The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for the Company.
- 7) a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities material undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed statutory dues were outstanding, at the year end, for a period of more than six months *except service tax payable under reverse charge mechanism amounting to Rs.68 thousands which is since been paid.*
- b) According to the records of the Company, there are no dues of income tax, sales tax, service tax, value added tax or cess which have not been deposited on account of any dispute except the following:

Nature of the Statute	Nature of Dues	Year to which it pertains	Amount Demanded (Rs. in thousands)	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of depreciation on leased assets	Block assessment year 1987-88 to 1997-98	51,660*	Special Leave Petition before Hon'ble Supreme Court of India.
Income Tax Act, 1961	Disallowance of Lease equalization Charges	AY 1998-1999	14,962	Commissioner of Income Tax (Appeals) - Mangaluru

* - net of amount paid under protest Rs.50,744 thousands is paid under protest/refund adjusted.

- c) *According to the information and explanations given to us, an amount of Rs. 16,452 thousands is due to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder as referred in note no 2.06 (b) of the standalone financial statements.*
- 8) The Company's accumulated losses as at March 31, 2015 is not more than fifty percent of its net worth and it has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution/banks. In respect of matured debentures and interest accrued thereon upto July 15, 2002, the Company has repaid all the installments to debenture holders as per the Scheme of Arrangement as sanctioned by the Hon'ble High Court of Karnataka on October 15, 2004, except to the extent unclaimed/cheques issued but not encashed by the instrument holders.
- 10) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 11) The Company has not taken any term loans from banks or financial institutions during the year.
- 12) During the course of examination of Books of Account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the Management.

For CHATURVEDI & SHAH

Chartered Accountants
Firm Registration Number : 101720W

Chandan Lala

Partner
Membership Number: 35671

Place : Mumbai
Date : 19-05-2015

Balance Sheet as at March 31, 2015

Rupees in Thousands

Particulars	Note No.	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	130,267	130,267
Reserves and surplus	2.02	<u>2,603</u>	<u>(9,374)</u>
		132,870	120,893
Non-current liabilities			
Other long term liabilities	2.03	<u>119</u>	<u>5,025</u>
		119	5,025
Current liabilities			
Short term borrowings	2.04	13,139	47,840
Trade payables	2.05	2,639	510
Other current liabilities	2.06	<u>59,873</u>	<u>61,324</u>
		75,651	109,674
TOTAL		<u>208,640</u>	<u>235,592</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.07	2,359	2,613
Non-current investments	2.08	59,848	82,533
Long term loans and advances	2.09	54,578	52,977
Other non-current assets	2.10	<u>200</u>	<u>-</u>
		116,985	138,123
Current assets			
Inventories	2.11	15,760	12,582
Trade receivables	2.12	3,440	2,037
Cash and bank balances	2.13	51,524	59,459
Short term loans and advances	2.14	20,369	20,565
Other current assets	2.15	<u>562</u>	<u>2,826</u>
		91,655	97,469
TOTAL		<u>208,640</u>	<u>235,592</u>
Significant accounting policies and notes to financial statements	1 & 2		

The notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date attached.

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No.: 101720W

For and on behalf of the Board

Sd/-

T. Mohandas Pai

Chairman & Whole-time Director

DIN-00104336

Sd/-

Chandan Lala

Partner

Membership No.: 35671

Sd/-

H. N. S. Rao

Director

DIN-00106953

Sd/-

Bharath K. Nayak

Director

DIN-00776729

Sd/-

G. R. Nayak

Chief Financial Officer

Place : Mumbai

Date : May 19, 2015

Place : Manipal

Date : May 19, 2015



Statement of Profit and Loss for the year ended March 31, 2015

Rupees in Thousands

Particulars	Note No.	2014-15	2013-14
Revenue from operations	2.16	41,151	52,059
Other income	2.17	19,039	17,675
Total Revenue		60,190	69,734
Expenses			
Purchases	2.18	29,151	36,869
Changes in inventories of traded goods	2.19	(3,178)	(11,206)
Employee benefits expense	2.20	10,097	8,542
Other Expenses	2.21	6,597	9,433
Finance costs	2.22	3,324	4,976
Depreciation and amortization expense	2.23	1,392	621
Total expenses		47,383	49,235
Profit before tax		12,807	20,499
Tax expense			
Current tax		830	470
Profit for the year after Tax		11,977	20,029
Earnings per equity share of face value of Rs. 10/- each			
Basic and Diluted (in Rupees)	2.24	0.92	1.54
Significant accounting policies and notes to financial statements	1 & 2		

The notes referred to above form an integral part of the Standalone financial statements.
As per our report of even date attached.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board
Sd/-
T. Mohandas Pai
Chairman & Whole-time Director
DIN-00104336

Sd/-
Chandan Lala
Partner
Membership No.: 35671

Sd/-
H. N. S. Rao
Director
DIN-00106953

Sd/-
Bharath K. Nayak
Director
DIN-00776729

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Mumbai
Date : May 19, 2015

Place : Manipal
Date : May 19, 2015

Significant Accounting Policies and Notes to Financial Statements

Company overview

ICDS Limited ("the Company") was incorporated on October 21, 1971 and registered as a Non-Banking Financial Company (NBFC). The Company had filed the Scheme of Arrangement during August 2002, and stopped its fund based business and surrendered its certificate of registration as Non-Banking Finance Company to RBI. The Company is presently concentrating on the recovery of its dues and repaying its liabilities and is also engaged in trading activities of mobiles and accessories, marketing of the insurance products of life and general insurance companies. The Company is diversifying into more fee based activities.

1. Significant accounting policies

1.01 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

1.02 Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

1.03 Revenue Recognition

- a. Revenue is recognized when the significant risks and rewards of ownership of goods / services have been passed to the retailer/buyer, which generally coincide with the dispatch of goods.
- b. Interest is recognized using the time proportion basis based on rates implicit in the transaction.
- c. Brokerage/commission received on sale of mobiles and accessories, insurance agency services has been accounted on accrual basis on certainty of realisation.
- d. Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

1.04 Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price and freight, duties, levies and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use.

1.05 Depreciation/Amortisation

Depreciation is provided on straight line method at the rates and in the manner specified in the Schedule II to the Companies Act, 2013.

Fixed Asset individually costing less than Rs.5,000/- are depreciated @ 100% in the year of acquisition.

1.06 Investments

- a. Non-current investments are valued at cost. Provision for diminution in the value of investments is made to recognise decline, other than temporary.
- b. Investment in buildings that are not intended to be occupied substantially for use by, or in the operations

of, the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation.

- c. Current Investments are stated at cost or market value whichever is lower.

1.07 Inventories

- a. Stock on hire is valued at agreement values net of recoveries.
- b. Stock of shares and debentures are valued at lower of cost or net realisable value.
- c. Stock of Mobiles and Accessories are valued at lower of cost or net realisable value. Cost includes all applicable costs incurred in bringing goods to its present location and condition.

1.08 Employee Benefits

- a. The Company's Defined Contribution Plan to provident fund and pension fund are made at pre-determined rates to the recognised Provident Fund and are charged to statement of profit and loss.
- b. Liability for Defined Benefit Plan for Gratuity is provided on the basis of valuations, as at the Balance Sheet date, carried out by Life Insurance Corporation of India.

1.09 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of that asset till the date of capitalization of qualifying asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.10 Taxes on Income

- a. Tax expenses comprise both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/recoverable in respect of the Taxable income/loss for the reporting period.
- b. Deferred Tax represents the effect of timing difference between Taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognized only if there is virtual certainty of realization.

1.11 Earnings per Share

The Basic Earnings per share is computed by dividing the net profit after tax for the period by the weighted average number of equity shares outstanding at the end of the period. Diluted Earnings per share, if any is computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

1.12 Impairment

At each Balance Sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised immediately as income in the statement of profit and loss.

1.13 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions, other than employee benefits, are not discounted to their present value and are determined based on management 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 management estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

2. Notes to financial statements

2.01 Share Capital

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Authorised Capital		
35,000,000 [March 31, 2014 : 35,000,000] Equity Shares of Rs. 10 each	350,000	350,000
15,000,000 [March 31, 2014 : 15,000,000] Preference Shares of Rs. 10 each	150,000	150,000
	500,000	500,000
Issued, Subscribed and Paid-Up Capital		
13,026,700 [March 31, 2014 : 13,026,700] Equity Shares of Rs. 10 each fully paid up	130,267	130,267
Total	130,267	130,267

Reconciliation of number of shares

Particulars	March 31, 2015		March 31, 2014	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
Equity shares :				
Balance as at the beginning of the year	13,026,700	130,267	13,026,700	130,267
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	13,026,700	130,267	13,026,700	130,267

Rights, preferences and restrictions attached to shares:

The Company has two classes of shares referred to as equity shares and preference shares having par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. The Company has not issued any preference shares as on March 31, 2015.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Restrictions on the distribution of dividends:

The Board shall, propose to the shareholders the dividend payable out of free reserves and profits of the Company. Upon such recommendation shareholders shall declare dividends i) all such dividends & profits shall be paid to shareholders in their existing shareholding pattern and ii) any such dividend or other distribution shall be based on profit generated by the Company or on appropriate basis permitted by the applicable laws.

Shares in the Company held by each shareholder holding more than 5% shares:

Name of the Shareholder	March 31, 2015		March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Teaching Fraternity & Education Trust (including shares held by its trustee Dr. H. Shantaram)	2,104,000	16.15%	2,104,000	16.15%
Music & Fine Arts Education Trust (including shares held by its trustee Sri T. Ranga Pai)	1,476,600	11.34%	1,476,600	11.34%
Mahendra Girdharilal	1,215,023	9.33%	1,215,023	9.33%
The Academy of General Education	868,488	6.67%	868,488	6.67%
Life Insurance Corporation of India Ltd.	677,001	5.20%	677,001	5.20%

2.02 Reserves and Surplus
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Securities Premium		
Opening Balance	33,334	33,334
Add: Additions during the year	-	-
Closing Balance	33,334	33,334
Revaluation Reserve		
Opening Balance	33,986	34,740
Less: Transfer to Statement of Profit and Loss (refer note no. 2.23)	-	(754)
Closing Balance	33,986	33,986
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	(76,694)	(96,723)
Less: Profit for the current year	11,977	20,029
Closing Balance	(64,717)	(76,694)
Total	2,603	(9,374)

2.03 Other long term liabilities
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Lease/Rent Deposits	119	5,025
Total	119	5,025

2.04 Short term borrowings
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Secured Loans		
Working Capital loans from Banks	13,139	47,840
Total	13,139	47,840

Notes:
Nature of security

The above working capital loan is secured by deposit with banks amounting to Rs. 15,500 thousands (March 31, 2014: Rs. 55,000 thousands).

Terms of repayment

The above loan is repayable on demand. Interest for such borrowing ranges from 9.65% to 10.50% p.a.

2.05 Trade payables
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Due to Micro and small enterprises*	-	-
Due to other than Micro and small enterprises	2,639	510
Total	2,639	510

* There are no Micro, Small and Medium Enterprises to which the company owes dues or with which the company had transactions during the period, based on the information available with the company.

2.06 Other current liabilities
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Public Liabilities		
Unclaimed		
Amount due to Investor Education and Protection Fund		
– Other public liabilities	-	158
Others		
– interest on matured deposits	10,027	10,098
– matured debentures [refer note (a) below]	439	439
– interest on matured debentures	14,838	15,228
– interest on matured subordinated debts	3,182	3,195
– Other Public Liabilities [refer note (b) below]	29,367	29,557
Other Payables	1,421	1,631
Advance received from customers	339	717
Book Overdraft	-	1
Statutory Dues	260	300
Total	59,873	61,324

Notes:

- a. Consists of public liabilities which is held and not paid as the matter being subjudice with Hon'able Court of Andhra Pradesh.
- b. The management is of the opinion that the due date for remittance of unclaimed public liabilities starts after seven years from the due date of the last installment of the instrument as per the Scheme of Arrangement ('the Scheme') under Section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Karnataka ('the court') vide its order dated October 15, 2004 and filed with the Registrar of Companies, Karnataka on December 30, 2004 (i.e. effective date) in respect of repayment of instruments which were payable in more than one installment, accordingly the management considers Rs. 16,452 thousands outstanding with regard to the first three installments (March 31, 2014: Rs 9,070 thousands outstanding with regard to the first two installments) is not due for payment to Investor Education and Protection Fund ('IEPF') pending last installment falling due. In view of the same the management is of the opinion that same is not due for payment to IEPF.

Significant accounting policies and notes to financial statements

2.07 Fixed Assets

Rupees in Thousands

Description of Assets	Gross Block			Depreciation and Lease Equalisation			Net Block	
	April 01, 2014	Additions	Deductions/sale	March 31, 2015	For the year		March 31, 2015	March 31, 2014
					Deductions/sale	Eqn.		
A. OWNED ASSETS								
Buildings	3,367	-	-	3,367	42	-	1,230	2,137
Plant & Machinery	195	-	-	195	103	-	142	53
Electrical Fittings	106	38	-	144	17	-	63	81
Furniture & Fittings	2,079	-	79	2,000	-	79	2,000	-
Office Equipments & Computers	458	16	-	474	146	-	386	88
Vehicles	5	-	-	5	-	-	5	-
Total of 'A'	6,210	54	79	6,185	308	79	3,826	2,359
B. ASSETS GIVEN ON LEASE								
Plant & Machinery	612,686	-	-	612,686	-	-	429,532	183,154
Vehicles	69,500	-	-	69,500	-	-	69,157	343
Total of 'B'	682,186	-	-	682,186	-	-	498,689	183,497
Grand Total of A+B	688,396	54	79	688,371	308	79	502,515	2,359
Previous Year	705,925	102	17,631	688,396	269	17,188	502,286	183,497

Notes: a) Buildings having carrying value of Rs. 47,994 thousands (March 31, 2014 : Rs. 49,077 thousands), that are not intended to be occupied substantially for use by, or in the operations of, the company are considered as Investment Property under Non-Current Investments in financial statements.

b) In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has revised the estimated useful lives of its fixed assets with effect from April 01, 2014. Accordingly, the net book value of the fixed assets as at April 01, 2014, is depreciated on a prospective basis over the remaining useful life. This change in accounting estimate has resulted in increase in depreciation and amortisation expenses for the period ended March 31, 2015 by Rs. 59 thousands. In case of fixed assets whose useful life on such reassessment had expired as of April 01, 2014, net book value of assets of Rs. 117 thousands is also depreciated during the year.

2.08 Non-current investments
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Long term Investments (at cost)		
Investment property (Refer notes (a) to (c) below)		
Cost of building given on operating lease	67,847	67,847
Less: Accumulated depreciation (includes depreciation for the year Rs. 1,083 thousands (March 31, 2014 : Rs. 1,106 thousands)	19,853	18,770
Net Block	47,994	49,077
Investments in quoted, fully paid up Equity Shares (Refer note (d) below)		
Associate Company		
ICDS Securities Ltd.	-	23,336
[Nil (March 31, 2014 : 1,423,350) shares of face value Rs. 10/- each]		
<i>Others</i>		
Lingapur Estates Ltd.	1,734	1,734
[153,392 (March 31, 2014 : 153,392) shares of face value Rs. 10/- each]		
Manipal Finance Corporation Limited	9,181	9,181
[449,163 (March 31, 2014 : 449,163) shares of face value Rs. 10/- each]		
	10,915	34,251
Investments in unquoted, fully paid up Equity Shares		
<i>Wholly owned Subsidiary Companies</i>		
Manipal Hotels Ltd.	500	500
[50,000 (March 31, 2014 : 50,000) shares of face value Rs. 10/- each]		
Manipal Properties Ltd. [Refer note 2.14(a)(ii)]	999	999
[9,989 (March 31, 2014 : 9,989) shares of face value Rs. 100/- each]		
	1,499	1,499
<i>Others</i>		
Development Co-operative Bank Ltd.	18	18
[1,200 (March 31, 2014 : 1,200) shares of face value Rs. 10/- each]		
Manipal Housing Finance Syndicate Ltd.	9,103	9,103
[729,000 (March 31, 2014 : 729,000) shares of face value Rs. 10/- each]		
	9,121	9,121
Less: Provisions for diminution in value of investments (Refer note (e) below)	9,681	11,415
Total	59,848	82,533
Aggregate value of quoted investments (net of provision)	-	23,336
Market Value of quoted investments	-	23,336
Aggregate value of unquoted investments (net of provision)	10,120	10,120

Notes:

- Investment property includes shares of the face value of Rs. 511/- (March 31, 2014 : Rs.511/-) in Co-operative Housing Society.
- The management is of the opinion that the carrying cost of the Investment Property does not exceed its recoverable amount. Further the Company does not have any information whether internal or external, that indicates that 'impairment loss may have occurred'. Accordingly the question of impairment of aforesaid assets does not arise.
- In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has revised the estimated useful lives of its fixed assets with effect from April 01, 2014. Accordingly, the net book value of the investment property i.e. cost of building given on operating lease, as at April 01, 2014, is depreciated on a prospective basis over the remaining useful life. This change in accounting estimate has resulted in decrease in depreciation and amortisation expenses for the period ended March 31, 2015 by Rs. 23 thousands.

- d. Market price of the Quoted shares has been taken at face value, in the absence of trading in stock exchanges during the year.
- e. Details of Provisions for diminution in value of investments

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Lingapur Estates Ltd.	-	1,734
Manipal Finance Corporation Limited	9,181	9,181
Manipal Hotels Ltd.	500	500
Total	9,681	11,415

2.09 Long term loans and advances

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Unsecured, considered good		
Rent and other deposits	753	522
Advance taxes (net of Provisions)	53,006	52,236
VAT Input Credit	819	219
Total	54,578	52,977

2.10 Other non-current assets

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Deposit with banks maturing after 12 months	200	-
Total	200	-

2.11 Inventories

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Stock on Hire (At agreement value less amount received and unmatured hire charges)		
Under Hire Purchase Agreements		
Considered Good	-	-
Considered Doubtful	145,591	147,196
	145,591	147,196
Less: Provision	(145,591)	(147,196)
	-	-
Other Inventories (Valued at lower of cost or net realisable value)		
Shares and securities [Refer Annexure No. 1]	8,592	8,592
Stock of Mobiles and Accessories	7,168	3,990
	15,760	12,582
Total	15,760	12,582

2.12 Trade receivables

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Unsecured		
Debts outstanding for a period exceeding six months		
Considered Good	-	-
Considered Doubtful	82	82
Less : Provision for doubtful debts	(82)	(82)
	-	-
Others - Considered Good	3,440	2,037
Total	3,440	2,037

2.13 Cash and bank balances
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Cash and cash equivalents		
Cash on hand	38	164
Cheques, drafts and stamps on hand	–	5
Balances with banks		
in current accounts	2,210	2,216
in deposit accounts	23,457	–
	25,705	2,385
Other bank balances		
Deposit with banks maturing between 3 to 12 months	10,319	2,074
Margin Deposit with banks [pledged as security against working capital loan]	15,500	55,000
	25,819	57,074
Total	51,524	59,459

2.14 Short term loans and advances
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Demerger receivables (secured)		
Considered good		
from Others [Refer note (a)(i)]	16,704	15,076
from wholly owned subsidiaries [Refer note (a)(ii)]	1,266	2,845
Considered doubtful		
from wholly owned subsidiaries [Refer note (b)]	11,638	16,366
from others	101,005	101,005
	130,613	135,292
Less: Provision	(112,643)	(117,371)
	17,970	17,921
Unsecured Loans		
Considered good	1,062	1,149
Considered doubtful	62,485	62,485
	63,547	63,634
Less: Provision	(62,485)	(62,485)
	1,062	1,149
Other Receivables	63	63
Advance given to creditors	278	–
LIC Group Gratuity Fund Asset (net)	996	1,432
Total	20,369	20,565

Notes:
a. Demerger receivable:

- i. Demerger receivable represents Rs. 16,704 thousands (March 31, 2014: Rs. 15,076 thousands) from MPL Enterprises Ltd. pursuant to the scheme of arrangements sanctioned by Hon'ble High Courts of Karnataka and Madras vide their Orders dated April 09, 1999 and August 25, 2000 respectively. The balance is considered good for recovery in the opinion of the management, as the value of the property vested in MPL Enterprises Ltd. is adequate.
- ii. Investment of Rs. 999 thousands (March 31, 2014: Rs. 999 thousands) and demerger receivable of Rs. 1,266 thousands (March 31, 2014: Rs. 2,845 thousands) being amount due from Manipal Properties Limited a subsidiary, on account of scheme of arrangements sanctioned by Hon'ble High Courts of Karnataka and



Madras vide its Order dated April 09, 1999 and August 25, 2000 respectively is considered good for recovery in the opinion of the management, as the present market value of the property vested in Manipal Properties Limited is adequate and in view of long term involvement with the said Company.

- b. Demerger receivables considered doubtful includes Rs.7,839 thousands (March 31,2014: Rs.7,830 thousands) due from Manipal Hotels Ltd. and Rs. 3,799 thousands (March 31,2014 : Rs. 8,536 thousands) due from Manipal Properties Ltd., the wholly owned subsidiary companies.

2.15 Other current assets

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Interest accrued on term deposits	562	2,573
Accrued Income	-	253
Total	562	2,826

2.16 Revenue from operations

Rupees in Thousands

Particulars	2014-15	2013-14
Interest on loans and advances	61	55
Interest on demerger receivables	2,109	4,309
Bad debts recovered	9,474	9,791
Service charges and commission	1,991	3,568
Sale of Shares and securities	-	8,223
Sale of Mobiles and Accessories	27,516	26,113
Total	41,151	52,059

2.17 Other income

Rupees in Thousands

Particulars	2014-15	2013-14
Dividend received from Non-Current Investments	675	905
Others	695	644
Interest on term deposit	4,050	5,743
Other interest	110	147
Profit on sale of owned / leased assets	44	82
Profit on sale of shares and securities	149	1,105
Rent Received	4,251	1,563
Sundry Balances written back	917	-
Provision for diminution in value of investments no longer required	1,734	-
Excess provision for non-performing assets written back	6,334	7,467
Miscellaneous income	80	19
Total	19,039	17,675

2.18 Purchases

Rupees in Thousands

Particulars	2014-15	2013-14
Purchase of traded goods Mobiles and Accessories Handsets and data card	17,314	8,964
Rechargeable Vouchers	472	1,674
Electronic Charge	11,349	17,832
Others	16	58
Shares and securities	-	8,341
Total	29,151	36,869

2.19 Changes in inventories of traded goods
Rupees in Thousands

Particulars	2014-15	2013-14
Opening Stock		
Mobiles and Accessories	3,990	1,078
Shares and securities	8,592	298
(a)	12,582	1,376
Closing Stock		
Mobiles and Accessories	7,168	3,990
Shares and securities	8,592	8,592
(b)	15,760	12,582
Total	(3,178)	(11,206)

2.20 Employee benefits expense
Rupees in Thousands

Particulars	2014-15	2013-14
Salaries, wages and bonus	8,350	6,829
Contribution to provident and other funds [Refer note no. 2.27]	763	848
Gratuity [Refer Note No 2.27 (c)(v)]	415	439
Staff welfare expenses	569	426
Total	10,097	8,542

2.21 Other Expenses
Rupees in Thousands

Particulars	2014-15	2013-14
Rent, rates and taxes	963	1,585
Printing and stationery	270	259
Directors sitting fees	30	30
Travelling and conveyance	978	2,071
Postage, telegram and telephones	387	440
Insurance	23	7
<i>Repairs and Maintenance:</i>		
Buildings	451	771
Others	335	382
Advertisement and Business Promotion	298	360
Legal and Professional Charges	1,995	1,564
<i>Auditors Remuneration:</i>		
Audit Fees	140	140
Tax Audit Fees	28	28
Certification	169	28
Brokerage & Commission	32	934
Service Charges	162	120
Loss on discarded assets	-	430
Sundry Expenses	336	284
Total	6,597	9,433

2.22 Finance Costs

Rupees in Thousands

Particulars	2014-15	2013-14
Interest on		
- working capital loan from bank	3,224	4,891
- short term borrowings	58	7
- delay in payment of taxes	9	27
Bank charges	33	51
Total	3,324	4,976

2.23 Depreciation and amortization expense

Rupees in Thousands

Particulars	2014-15	2013-14
Depreciation on tangible assets	308	269
Depreciation on investment property	1,084	1,106
	1,392	1,375
Less: Transfer from revaluation reserve (refer note (a) below)	–	(754)
Total	1,392	621

Note :

- a) In lieu of issuance of “Application Guide on the provisions of the Schedule II to the Companies Act, 2013” by Institute of Chartered Accountants of India (ICAI) , during the year the company has transferred the depreciation on revalued amount of the investment property amounting to Rs. 737 thousands to statement of profit and loss account instead of adjusting it against the revaluation reserve (Refer note no. 2.02) .

2.24 Calculation of Earning per share

Sl.	Particulars	2014-15	2013-14
a.	Nominal value per share (in Rupees)	10	10
b.	Net Profit available for equity shareholders (Rupees in thousands)	11,977	20,029
c.	Weighted Average No. of Equity Shares (Nos.)	13,026,700	13,026,700
d.	Basic / Diluted EPS of Rs.10/- each (in Rupees)	0.92	1.54

2.25 Contingent liabilities

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Guarantee issued in favour of bankers.	320	320
Claims against the company/disputed liabilities not acknowledged as debt/liabilities.	–	1,058
<i>Income Tax Demand:</i>		
Block assessment from AYs 1987-88 to 1997-98 [Refer note (a) below]	102,404	102,404
Assessment Year 1998-99 [Refer note (b) below]	14,962	–

Notes:

- a. Represents income tax demand of Rs.102,404 thousands (March 31,2014: Rs.102,404 thousands) in respect of Block assessment held in the period of assessment years from 1987-88 to 1997-98 following the Order of Hon'ble High Court of Karnataka in respect of disallowance of depreciation on leased assets. The Company's Special Leave Petition (SLP) filed before the Hon'ble Supreme Court of India against the Order of Hon'ble High Court of Karnataka has been admitted. The Company has deposited Rs. 50,744 thousands (March 31, 2014: Rs. 49,335 thousands) against the said demanded Tax. The Company has offered one of its immovable property as security which is free of any encumbrances. Based on the decisions of the Appellate authorities/Courts and

the interpretations of other relevant provisions, the Company has been legally advised that the disallowance of depreciation will be allowed and demand raised on account of block assessments would get vacated and accordingly no provision is considered necessary.

- b. Represents income tax demand of Rs.14,962 thousands relating to Assessment Year 1998-99 in respect of Lease equalisation charges which was disallowed while computing profit u/s 115 JA by the Assessing Officer. The matter was remanded to Assessing officer for fresh consideration vide Order from High Court of Karnataka dated December 17, 2013. The Company has filed an appeal before the Commissioner of Income Tax (Appeals), Mangaluru in this regard. The management of the company is confident that the said demand is not tenable based on the legal advice, decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and accordingly no provision is considered necessary.

2.26 Deferred tax

The Company has not recognized Deferred Tax Asset as per AS 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, constituting, mainly of carry forward losses, excess depreciation claimed in Income tax and provision for doubtful debts, as a matter of prudence.

2.27 Employee Benefits

The Company has adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India [the 'revised AS 15'].

The disclosures as required under the revised AS 15 are as under:

Brief description of the Plans :

- a. The Company has two schemes for long-term benefits such as Provident Fund and Gratuity. In case of funded schemes, the funds are recognised by the Income Tax authorities and administered through trustees / appropriate authorities. The Company's defined contribution plan is Employees' Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company's defined benefit plan is Gratuity.
- b. Contribution to Provident fund, pension fund and other funds under Employee benefits expenses are as under:

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
i.	Provident and pension fund	527	578
ii.	Employee state insurance	173	187
Total		700	765

- c. Based on statement received from Life Insurance Corporation of India (LIC), the following table sets forth the status of the Gratuity Plan (Funded) of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
i.	<i>Change in Defined Benefit Obligation</i>		
	Opening defined benefit obligation	3,446	3,234
	Current service cost	135	137
	Interest cost	276	259
	Actuarial loss / (gain)	390	463
	Benefits paid	(1,320)	(647)
	Closing defined benefit obligation	2,927	3,446
ii.	<i>Change in fair value of plan assets</i>		
	Opening fair value of plan assets	4,879	5,057
	Expected return on plan assets	386	419

Sl.	Particulars	2014-15	2013-14
	Actuarial gain / (loss)	–	1
	Contributions by employer	(22)	49
	Benefits paid	(1,320)	(647)
	Closing fair value of plan assets	3,923	4,879
iii.	<i>Actual return on plan assets</i>	386	420
iv.	<i>Amount recognised in the balance sheet</i>		
	Present value (PV) of obligations as at year end	2,927	3,446
	Less: Fair value of plan assets as at year end	3,923	4,879
	Net (asset) / liability recognised	(996)	(1,433)
v.	<i>Expenses recognised in the Statement of profit and loss</i>		
	Current service cost	135	137
	Interest on defined benefit obligation	276	259
	Expected return on plan assets	(386)	(420)
	Past service cost	–	–
	Net actuarial loss / (gain) recognised in the current year	390	463
	Total expense	415	439
vi.	<i>Principal actuarial assumptions used</i>		
	Discount rate (p.a.)	8.00%	8.00%
	Expected rate of return on plan assets (p.a.)	7.91%	8.29%
	Rate of increase in compensation levels	3.50%	3.50%
	Mortality table	LIC (1994-96)	LIC (1994-96)
	Retirement age	58 Years	58 Years
vii.	<i>Experience adjustments</i>		
	Defined benefit obligation	2,927	3,446
	Plan assets	3,923	4,879
	Deficit / (surplus)	(996)	(1,433)

viii. **Data for defined gratuity benefit obligation and fair value of planned assets are as under :***

Particulars	2014-15	2013-14	2012-13	2011-12
Present value of defined benefit obligations at the end of the year	2,927	3,446	3,234	2,989
Fair value of plan assets at the end of the year	3,923	4,879	5,057	4,697
Net (assets) / liability at the end of year	(996)	(1,433)	(1,823)	(1,708)

* Data for defined gratuity benefit obligation and fair value of planned assets for the financial year 2010-11 is not disclosed as the company had not received actuarial valuation report or information from LIC of India.

Notes:

- The Company's liability towards gratuity to employees is covered by a group policy with LIC of India and contributions are charged to statement of profit and loss.
- Based on the above allocation and the prevailing yields on these assets, the long term estimate of the expected rate of return on fund assets has been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

2.28 List of Related Parties with whom transactions are taken place during the year:

Relationship	Name of the Party
Wholly owned subsidiaries	Manipal Hotels Limited Manipal Properties Limited
Associate Company	ICDS Securities Limited * Bluecross Builders and Investors Limited
Key Management Personnel and their Relatives	T. Mohandas Pai – Chairman and Whole-time Director

* Ceased to be Associate Company w.e.f. March 9, 2015.

Details of the transactions :

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
a.	Reimbursement of expenses during the year		
	– Wholly owned subsidiaries		
	Manipal Properties Limited	629	439
	Manipal Hotels Limited	8	18
	– Associate Companies		
	Bluecross Builders and Investors Limited	33	23
b.	Receipt from Demerger receivables		
	– Wholly owned subsidiaries		
	Manipal Properties Limited	6,316	5,199
c.	Advances granted and recovered during the year		
	– Wholly owned subsidiaries		
	Manipal Properties Limited	2,300	–
d.	Brokerage paid on purchase and sale of shares		
	– Associate Companies		
	ICDS Securities Ltd.	–	74
e.	Rent/Interest/Finance Charges received from related parties		
	– Wholly owned subsidiaries		
	Manipal Properties Limited (Net of Income reversal of Rs. 2,701 thousands. March 31, 2014: Rs. 2,927 thousands.)	300	325
f.	Outstanding balances		
	<i>Due from / (To)</i>		
	– Wholly owned subsidiaries		
	Manipal Hotels Limited (gross)	7,839	7,830
	Manipal Properties Limited (gross)	5,065	11,381
	– Associate companies		
	Bluecross Builders and Investors Limited	–	64
	ICDS Securities Limited	–	500
g.	Provisions made on balance receivable including income reversal		
	– Wholly owned subsidiaries		
	Manipal Hotels Limited	7,839	7,830
	Manipal Properties Limited	22,375	24,411
h.	Provision for Diminution in value of Investments		
	– Wholly owned subsidiaries		
	Manipal Hotels Limited	500	500

2.29 The Company has identified two reportable segments viz. Financial Services (recovery of loans and advances) and Sale of Mobiles & Accessories. Others include Marketing of the insurance products of life and general insurance companies. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Accordingly segment reporting disclosures as envisaged in Accounting Standard (AS-17) on Segmental Reporting, issued by the ICAI are given below.

Rupees in Thousands

Particulars	Financial Services (Recovery activities)	Trading Activities	Others	Total
Segment Revenue				
External Turnover	11,644	28,950	557	41,151
	<i>14,155</i>	<i>36,064</i>	<i>1,840</i>	<i>52,059</i>
Net Turnover	11,644	28,950	557	41,151
	<i>14,155</i>	<i>36,064</i>	<i>1,840</i>	<i>52,059</i>
Segment Results	4,613	1,302	88	6,003
	6,706	6,889	211	13,806
Unallocated expenses				(5,901)
Provision for diminution in value of investments no longer required				(3,515)
				1,734
Interest income				-
				4,160
Dividend Income				5,890
				1,370
Other Income				1,549
				5,441
Profit before tax				2,769
				12,807
Taxes				20,499
				830
Net Profit After Tax				470
				11,977
				20,029
Other Information				
Segment Assets	134,100	21,479	55	155,634
	167,615	15,433	308	183,356
Segment Liabilities	72,673	2,978	119	75,770
	109,674	-	5,025	114,699
Capital Expenditure				54
				102
Depreciation and Lease Equalisation (net)				1,392
				621

Notes:

- a) Interest expenditure and interest income of the Company are not shown separately for financial services since the same are integral part of financial business.
- b) Geographical segment is not relevant for the company since it is not involved in exports.
- c) Previous years figures have been given in Italics and have been regrouped wherever necessary.

- 2.30 In pursuance to the Scheme of Arrangement (the ' Scheme') under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Karnataka ('the Court') vide its order dated October 15, 2004 and filed with the Registrar of Companies, Karnataka on December 30, 2004 (i.e. effective date) the Company has implemented the scheme and accordingly repaid all installments of debentures, deposits and subordinated debts, except to the extent unclaimed/cheques issued but not encashed by the instrument holders. The Company has filed an affidavit on August 31, 2010 before the Court stating that the scheme has been successfully implemented and the Court has passed an Order stating that Scheme of Arrangement sanctioned by the Court on October 15, 2004 is fully complied by the company. The accounts have been prepared on Going concern basis, considering the successful implementation of the Scheme of Arrangement as mentioned above, the Company's foray into mobile and accessories and fee based activities and its intention to start fresh NBFC business is subject to approval from Reserve Bank of India.
- 2.31 The Company has entered into certain cancellable operating lease agreements mainly for office premises and same has been charged to Statement of Profit and Loss amounting to Rs. 542 thousands (March 31, 2014 : Rs.338 thousands).
- 2.32 In the opinion of the management, loans and advances, current and non-current assets are good and recoverable and no provision is considered necessary.
- 2.33 Figures of the previous year wherever necessary, have been reworked, regrouped, reclassified and rearranged to conform with those of the current year.

As per our report of even date attached.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.: 101720W

Sd/-
Chandan Lala
Partner
Membership No.: 35671
Place : Mumbai
Date : May 19, 2015

Sd/-
H. N. S. Rao
Director
DIN-00106953

Sd/-
Bharath K. Nayak
Director
DIN-00776729

For and on behalf of the Board
Sd/-
T. Mohandas Pai
Chairman & Whole-time Director
DIN-00104336

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Manipal
Date : May 19, 2015

Disclosure:

Sl. No.	In the accounts of	Disclosure of Loans and Advances and Investments in its own shares by their Subsidiaries, Associates (as certified by the Management) as required by Clause 32 of Listing Agreement.	As at 31-03-2015
1	Parent (ICDS Ltd.)	<p>Loans and advances in the nature of loans to subsidiaries by name and amount</p> <p>Loans and advances in the nature of loans to associates by name and amount</p> <p>Loans and advances in the nature of loans where there is</p> <p>(i) no repayment schedule or repayment beyond seven years or</p> <p>(ii) no interest or interest below Section 372A of Companies Act by name and amount</p> <p>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p>
2	Subsidiary Manipal Hotels Ltd. Manipal Properties Ltd.	<p>Loans and advances in the nature of loans to parent by name and amount</p> <p>Loans and advances in the nature of loans to associates by name and amount</p> <p>Loans and advances in the nature of loans where there is</p> <p>(i) no repayment schedule or repayment beyond seven years or</p> <p>(ii) no interest or interest below Section 372A of Companies Act by name and amount.</p> <p>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p>
3	Parent (ICDS Ltd.)	Investments by the loanee in the shares of Parent Company and Subsidiary Company, when the Company has made a loan or advance in the nature of loan	Nil
<p>Note : The demerger receivables and reimbursement of expenses and advances which are not in the nature of loans have not been considered. The amounts considered, if any, are net of the provisions done as per prudential norms. The details of demerger receivables are disclosed in the related party transactions elsewhere in the Balance Sheet.</p>			

Cash Flow Statement for the year ended March 31, 2015

Rupees in Thousands

Particulars	2014-15	2013-14
(A) Cash flow from Operating Activities		
Profit before tax	12,807	20,499
Adjustments for:		
Depreciation and amortization expense	1,392	621
Interest expenses	3,282	4,898
Loss on sale/Discard of fixed assets	-	430
Profit on sale of fixed assets	(44)	(82)
Profit on sale of shares and securities	(149)	(1,105)
Interest on term deposits	(4,050)	(5,743)
Dividends	(1,370)	(1,549)
Excess Provision written back	(6,334)	(7,467)
Provision for diminution in value of investments no longer required	(1,734)	-
Sundry balances written back	(917)	-
<i>Operating profit before working capital changes</i>	<u>2,883</u>	10,502
<i>Adjustments for change in working capital</i>		
(Increase)/decrease in Trade receivables	(1,403)	(87)
(Increase)/decrease in loans and advances and other assets	4,346	26,794
(Increase)/decrease in Inventories	(1,573)	(9,750)
Increase/(decrease) in Trade Payables and Other Liabilities	(2,837)	(31,081)
<i>Cash generated from operations</i>	<u>1,416</u>	(3,622)
Less: Interest paid	(3,756)	(6,120)
Income Tax (paid)/refunded	(1,600)	(3,570)
Net cash from/(used in) operating activities	<u>(3,940)</u>	<u>(13,312)</u>
(B) Cash flow from Investing Activities		
Purchase of Fixed and Leased Assets	(54)	(102)
Sale of Fixed and Leased Assets	44	95
Decrease/(increase) in restricted deposits/bank balances	31,055	1,482
Sale of Investments	23,485	1,105
Interest received	6,061	5,860
Dividend received	1,370	1,549
Net cash from/(used in) investing activities	<u>61,961</u>	<u>9,989</u>

Rupees in Thousands

Particulars	2014-15	2013-14
(C) Cash flow from Financing Activities:		
Proceeds/(redemption) of debentures	-	(534)
Proceeds/(redemption) of Subordinated debts	-	(214)
Proceeds/(payment) of Public Deposits	-	(1,094)
Increase/(decrease) of Bank Borrowing	(34,701)	3,027
Net Cash from/(used in) Financing Activities	(34,701)	1,185
Net Increase/(Decrease) in Cash equivalents (A+B+C)	23,320	(2,138)
Cash and Cash Equivalents at Beginning of the Year	2,385	4,523
Cash and Cash Equivalents at End of the Year	25,705	2,385

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements as referred to in Section 133 of the Companies Act, 2013.
2. Previous figures have been reworked, regrouped and reclassified wherever necessary.

The notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date attached.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board
Sd/-
T. Mohandas Pai
Chairman & Whole-time Director
DIN-00104336

Sd/-
Chandan Lala
Partner
Membership No.: 35671
Place : Mumbai
Date : May 19, 2015

Sd/-
H. N. S. Rao
Director
DIN-00106953

Sd/-
Bharath K. Nayak
Director
DIN-00776729

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Manipal
Date : May 19, 2015

SCHEDULE TO THE BALANCE SHEET OF ICDS LIMITED

(As required in terms of Paragraph 9BB of

Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998)

(Notification No. DNBS 167/CGM (OPA) – 2003 dated March 29, 2003)

(Rupees in '000)

	Particulars	Amount Outstanding	Amount Overdue
	Liabilities side:		
1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	a) Debentures : Secured		
	: Unsecured *	15,277	15,277
	(other than falling within the meaning of public deposits)		
	b) Deferred Credits		
	c) Term Loans	–	
	d) Inter-corporate loans and borrowing	–	
	e) Commercial Paper	–	
	f) Public Deposits *	10,027	10,027
	g) Other Loans (subordinated debts, working capital loans) *	16,321	3,195
2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	a) In the form of Unsecured debentures		
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
	c) Other public deposits *	10,027	10,027
	Assets side:		
		Amount Outstanding	Amount Overdue
3)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
	a) Secured	–	
	b) Unsecured	1,062	
4)	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities:		
	i) Lease assets including lease rentals under sundry debtors:		
	a) Financial lease	–	
	b) Operating lease	445	
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire	–	
	b) Repossessed Assets	–	
	iii) Hypothecation loans counting towards EL/HP activities:		
	a) Loans where assets have been repossessed	–	
	b) Loans other than (a) above	–	

* Public deposits/NCD's/Subordinated Debts along with interest accrued upto 15-07-2002 are payable as per the scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Karnataka vide its order dated 15th October, 2004 and filed with the Registrar of Companies, Karnataka on 30th December, 2004.

(Rupees in '000)

	Particulars	Amount Outstanding	Amount Overdue	
5)	Break-up of Investments: Current Investments: (Stock in trade considered) 1. Quoted: i) Shares: a) Equity 8,592 b) Preference – ii) Debentures and Bonds – iii) Units of Mutual Bonds – iv) Government Securities – v) Others – 2. Unquoted: i) Shares: a) Equity – b) Preference – ii) Debentures and Bonds – iii) Units of Mutual Bonds – iv) Government Securities – v) Others – Long Term Investments: (net of provisions) 1. Quoted: i) Shares: a) Equity – b) Preference – ii) Debentures and Bonds – iii) Units of Mutual Bonds – iv) Government Securities – v) Others – 2. Unquoted: i) Shares: a) Equity 11,854 b) Preference – ii) Debentures and Bonds – iii) Units of Mutual Bonds – iv) Government Securities (excluding interest accrued) – v) Others: Interest accrued but not due on investments/ deposits 562			
6)	Borrower group-wise classification of all leased assets, stock on hire and loans and advances including debtors:			
	Category	Amount (net of provisions)		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	–	–	–
	(b) Companies in the same group	–	–	–
	(c) Other related parties	–	–	–
	2. Other than related parties	–	60,417	60,417
	Total	–	60,417	60,417

7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value/ Break-up or fair value of NAV	Book Value (Net of Provisions)
	1. Related Parties		
	a) Subsidiaries (lower of fair value or cost)	999	999
	b) Companies in the same group	–	–
	c) Other related parties (lower of fair value or cost)	–	–
	2. Other than related parties (lower of fair value or cost)	9,121	9,121
	Total	10,120	10,120
8)	Other Information		
	Particulars		Amount
	i) Gross Non-Performing Assets		333,783
	a) Related Parties		–
	b) Other than related parties		333,783
	ii) Net Non-Performing Assets		–
	a) Related Parties		–
	b) Other than related parties		–
	iii) Assets acquired in satisfaction of debt		1,682
Note:			
1) The demerger receivables of Rs.27,256 thousands (Rs.2,845 thousands net of provisions) from Manipal Properties Ltd., Rs.16,704 thousands from MPL Enterprises Ltd. are not shown in the above statement (item no. 6 & 8) as the same are not in the nature of loans and advances in the opinion of the management in view of prudence.			
2) Loans and advances, stock on hire are shown at net of provisions.			
3) Matured Debentures are not shown as public deposits in line with the disclosure requirements.			
4) Stock in trade of shares are shown at cost or market value whichever is less and are considered as current investments.			

Stock of Shares and Debentures
Rupees in Thousands

Name of the Company	March 31, 2015		March 31, 2014	
	Nos.	Amount	Nos.	Amount
Quoted Shares:				
EPIC	100	–	100	–
HDFC Bank Ltd.	180	–	180	–
Kirloskar Electric Ltd.	1,000	1	1,000	1
Panama Petro*	1,000	–	200	–
Reliance Capital Ltd.	21	–	21	–
Reliance Capital Ltd.	800	1	800	1
Reliance Capital Venture	37	–	37	–
Reliance Communication	447	–	447	–
Reliance Communications	750	1	750	1
Reliance Industries Limited	894	1	894	1
Reliance Industries Limited	1,500	2	1,500	2
The Sandur Manganese & Iron Ores Ltd.	5,950	6	5,950	6
Twinstar Industries	100	–	100	–
Ultramarine & Pigments Ltd.	1,000	1	1,000	1
Sesa Goa	49,791	8,343	49,791	8,343
Perfect – Octave Media	200	–	200	–
Uniworth Ltd.	750	1	750	1
Libord Infotech	200	–	200	–
Pirmal Glass	7	–	7	–
GTN Industries	200	–	200	–
Aspinwala	232,800	233	232,800	233
Absolute Aromatics Ltd.	1,600	2	1,600	2
Sub Total	299,327	8,592	298,527	8,592
Unquoted Shares:				
Adam Comsof	200	–	200	–
ICES Software	200	–	200	–
Cimmco Birla Limited	6	–	6	–
J K Pharmaceuticals	100	–	100	–
Jalpac India	100	–	100	–
Mukesh Steels Limited	100	–	100	–
Namtech Elect	100	–	100	–
Nova Iron	240	–	240	–

Rupees in Thousands

Name of the Company	March 31, 2015		March 31, 2014	
	Nos.	Amount	Nos.	Amount
Unquoted Shares:				
Murugappa Holding Ltd. (Parry Agro Inds.)	66	–	66	–
Peria Karamalai	1,000	–	1,000	–
Precision Elect	25	–	25	–
Sanghi Poly	200	–	200	–
SM Dyechem Limited	6	–	6	–
Summit Securities Ltd.	1	–	1	–
CMS Infotech	500	–	500	–
Adhunik Synthetics Ltd.	2,000	–	2,000	–
ATN Ind.	100	–	100	–
Genelac Ltd.	2,000	–	2,000	–
Golden Shrimp Hatchery Ltd.	320,000	–	320,000	–
Jayant Vitamins Ltd.	563	–	563	–
Parsurampurua Synthetics Ltd.	624	–	624	–
Patheja Forgings & Auto Parts Mfr. Ltd.	10,000	–	10,000	–
Praman Capital Market Services Ltd.	191,500	–	191,500	–
The Vijaykumar Mills Ltd.	8,000	–	8,000	–
Wartyhully Estates Ltd.	1,100	–	1,100	–
Datar Switch Gears	100	–	100	–
Mega Centre Super Markets Ltd.	20,000	–	20,000	–
Nagarjuna Granites Ltd.	100	–	100	–
Pampasar Distilleries Ltd.	100	–	100	–
Universal Print Systems Ltd.	5,000	–	5,000	–
Sub Total	564,031	–	564,031	–
Quoted Debentures:				
Jayant Vitamins Ltd.	5,403	–	5,403	–
Sub Total	5,403	–	5,403	–
Grand Total	868,761	8,592	867,961	8,592
Note:	<p>1. Some of the shares and debentures and other securities mentioned above were initially pledged as security by the borrower against loans and advances granted by the Company. Same have been taken into stock at nominal value after adjusting the loans against which shares were pledged.</p> <p>2. The stock of shares and debentures are valued at cost or net realisable value whichever is lower. In case of shares / debentures where market value is not available are taken at nominal value.</p>			



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ICDS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ICDS Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates 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. The respective Board 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

a) In the case of Manipal Hotels Limited (MHL), one of the wholly owned subsidiary of the Company, the auditors of the subsidiary have expressed their inability to opine on the ultimate recoverability of unsecured short term loans and advances of Rs.7,830 thousands net of provision as stated in Note 2.14(b) of the consolidated financial statements. Auditors of the subsidiary have further commented that a provision for the same would have eroded the Networth of the MHL and thereby raising a doubt over the "Going Concern Assumption". The accounts of the MHL, however have been prepared on a "going concern basis" in view of Management perception as stated in Note 2.14 (b) of the consolidated financial statements. Our audit report for the year ended March 31, 2014 was similarly modified.

If the observation made in sub-paragraph (a) above had been considered, the profit of the group for the year under consideration would have been Rs.1,123 thousands (previous year ended March 31, 2014: Rs.9,645 thousands) as against the reported profit of Rs.8,953 thousands (previous year ended March 31, 2014: Rs.17,475 thousands) and the accumulated losses would have been Rs.40,332 thousands (as at March 31, 2014: Rs.49,285 thousands) as against reported accumulated loss

of Rs.32,502 thousands (as at March 31, 2014: Rs.41,455 thousands).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates as at March 31, 2015 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements / financial information of two Subsidiary Companies, whose financial statements / financial information reflect total assets of Rs.38,420 thousands as at March 31, 2015, total revenue of Rs. 5,319 thousands and net decrease in cash flows amounting to Rs. 163 thousands for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b) The Consolidated financial statements also include Group's share of loss of Rs. 266 thousands for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of two Associate Companies, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Associate Companies, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, the share of loss of these financial statements/ financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters

with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order" / "CARO 2015"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, Subsidiary Companies and Associate Companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 issued by Reserve Bank of India (RBI) is not reported, in view of the cancellation of Certificate of Registration of Non-Banking Financial Company of the Holding Company by Reserve Bank of India on October 9, 2002.
3. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b) In our 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 our examination of those books and the reports of the other auditors;
 - c) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss 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 the consolidated financial statements;
 - d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
 - f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its Subsidiary Companies, none of the directors of the Group's companies is disqualified as

on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act. In respect of Associate Company, in the absence of audited financial statements and report from statutory auditors, we are unable to comment in this regard;

- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effect of the matter described in sub-paragraph (b) of the Other Matters paragraph above, the Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note Nos. 2.25 to the consolidated financial statements.
 - ii. Except for the possible effect of the matter described in sub-paragraph (b) of the Other Matters paragraph above, the Group did not have any long term contract including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been delay in transferring the amount due to Investor Education and Protection Fund (IEPF) amounting to Rs.158 thousands by the Holding Company. Further, the Holding

Company's liabilities (including public deposits along with interest accrued thereon) were restructured as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka vide its Order dated October 15, 2004, which remains unclaimed by the instrument holders (including cheques issued but not encashed by the instrument holders) to the extent of Rs.3,063 thousands, Rs.5,930 thousands and Rs.7,459 thousands, were required to be transferred to IEPF on June 30, 2012, June 30, 2013 and June 30, 2014 respectively and not transferred to IEPF in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. However, the management is of the opinion that same is not due to IEPF as explained in Note No. 2.06 (b) of the consolidated financial statements. With respect to Associate Company, in the absence of audited financial statements and report from statutory auditors, we are unable to comment in this regard.

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration Number: 101720W

Chandan Lala

Partner

Membership Number: 35671

Place : Mumbai

Date : 19-05-2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the Annexure referred to in our report to the members of ICDS Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the year ended March 31, 2015 in Paragraph 1 of Report on Other Legal and Regulatory Requirements.

Our reporting on CARO 2015 includes two Subsidiary Companies to which CARO is applicable, which have been audited by the other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under CARO 2015 in the case of the consolidated financial statements.

In respect of two Associate Companies, which have been included in the consolidated financial statements based on the unaudited financial statements provided to us by the Management and hence no Report under CARO 2015 is available, and accordingly

the possible effects of the same on our reporting under CARO 2015 has not been considered.

- 1) a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets other than those under lease have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 2) a) As explained to us, the inventories were physically verified by the management of the Group at the year end and in our opinion, the frequency of such verification are reasonable.

- b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Group and the nature of its business.
- c) On the basis of our examination of the inventory records, in our opinion, the Group is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3) As per the information and explanations given to us and based on the reports of the other auditors, the Holding Company / Subsidiary Companies have not granted loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013, other than the interest bearing unsecured loans granted by the Holding Company to one of its wholly owned subsidiary company.
- a) There is no stipulation regarding repayment of principal amount and interest.
- b) There are no overdue amounts remaining outstanding as at the year-end.
- 4) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the reports of the other auditors, there is adequate internal control system in the Holding Company and Subsidiary Companies, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination and the examination of the other auditors of books and records of the respective entities, and according to the information and explanations given to us and the reports of the other auditors, we have neither come across nor have been informed of any continuous failure to correct major weakness in the aforesaid internal control systems.
- 5) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the reports of the other auditors, the Holding Company and Subsidiary Companies have not accepted any deposits from public after the enactment of this Act as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable.
- The Holding Company's liabilities existing prior to enactment of this Act, (including public deposits along with interest accrued thereon) were restructured as per the Scheme of Arrangement sanctioned by the Hon'ble
- High Court of Karnataka vide its order dated October 15, 2004. Accordingly, the Holding Company has repaid its public liabilities, except to the extent unclaimed / cheques issued but not encashed by the instrument holders. We are informed by the management that, there are no other orders by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- 6) The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for the Group.
- 7) a) According to the information and explanations given to us and the reports of the other auditors, the Holding Company and the Subsidiary Companies are generally regular in depositing with appropriate authorities material undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and the reports of the other auditors, no undisputed statutory dues were outstanding, at the year end, for a period of more than six months *except service tax payable under reverse charge mechanism amounting to Rs.68 thousands which is since been paid.*
- b) According to the records of the Holding Company and based on the reports of the other auditors of the Subsidiary Companies there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except the following:

Nature of the Statute	Nature of Dues	Year to which it pertains	Amount Demanded (Rs. in thousands)	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of depreciation on leased assets	Block assessment year 1987-88 to 1997-98	51,660*	Special Leave Petition before Hon'ble Supreme Court of India.
Income Tax Act, 1961	Disallowance of Lease equalization Charges	AY 1998-1999	14,962	Commissioner of Income Tax (Appeals) - Mangaluru

* - net of amount paid under protest Rs.50,744 thousands is paid under protest/refund adjusted.

- c) *According to the information and explanations given to us and the reports of the other auditors, an amount of Rs.16,452 thousands is due to be transferred to investor education and protection fund by the Holding Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under as referred in Note No. 2.06 (b) of the consolidated financial statements.*
- 8) The Group does not have consolidated accumulated losses more than fifty per cent of its net worth as at March 31, 2015 and have not incurred cash losses, on a consolidated basis in the financial year ended on that date and in the immediately preceding financial year.
- 9) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the reports of the other auditors, the Holding Company and Subsidiary Companies have not defaulted in repayment of dues to a financial institution / banks. In respect of matured debentures and interest accrued thereon upto July 15, 2002, the Holding Company has repaid all the installments to debenture holders as per the Scheme of Arrangement as sanctioned by the Hon'ble High Court of Karnataka on October 15, 2004, except to the extent unclaimed / cheques issued but not encashed by the instrument holders.
- 10) In our opinion and the opinion of the other auditors and according to the information and the explanations given to us and the reports of the other auditors, the Holding Company and Subsidiary Companies have not given any guarantee for loans taken by others from banks or financial institutions.
- 11) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the reports of the other auditors, the Holding Company and Subsidiary Companies have not taken any term loans from banks or financial institutions during the year.
- 12) During the course of examination of Books of Account and records of the Holding Company and based on the reports of the other auditors of the Subsidiary Companies, carried out in accordance with the generally accepted auditing practices in India by us and the other auditors, and according to the information and explanations given to us and the reports of the other auditors, we have not come across any fraud on or by the Holding Company and Subsidiary Companies, noticed or reported during the year, nor have been informed of such case by the Management.

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration Number : 101720W

Chandan Lala

Partner

Membership Number: 35671

Place : Mumbai

Date : 19-05-2015

Consolidated Balance Sheet as at March 31, 2015

Rupees in Thousands

Particulars	Note No.	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	130,267	130,267
Reserves and surplus	2.02	34,818	25,865
		<u>165,085</u>	<u>156,132</u>
Non-current liabilities			
Other long term liabilities	2.03	119	5,025
		<u>119</u>	<u>5,025</u>
Current liabilities			
Short term borrowings	2.04	13,139	47,840
Trade payables	2.05	2,639	510
Other current liabilities	2.06	63,813	63,197
		<u>79,591</u>	<u>111,547</u>
TOTAL		<u><u>244,795</u></u>	<u><u>272,704</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.07	2,359	2,613
Non-current investments	2.08	87,552	112,421
Long-term loans and advances	2.09	55,119	53,896
Other non-current assets	2.10	200	–
		<u>145,230</u>	<u>168,930</u>
Current assets			
Inventories	2.11	15,760	12,582
Trade receivables	2.12	3,746	2,480
Cash and bank balances	2.13	52,564	60,336
Short term loans and advances	2.14	26,933	25,550
Other current assets	2.15	562	2,826
		<u>99,565</u>	<u>103,774</u>
TOTAL		<u><u>244,795</u></u>	<u><u>272,704</u></u>
Significant accounting policies and notes to consolidated financial statements	1 & 2		

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No.: 101720W

For and on behalf of the Board

Sd/-

T. Mohandas Pai

Chairman & Whole-time Director

DIN-00104336

Sd/-

Chandan Lala

Partner

Membership No.: 35671

Sd/-

H. N. S. Rao

Director

DIN-00106953

Sd/-

Bharath K. Nayak

Director

DIN-00776729

Sd/-

G. R. Nayak

Chief Financial Officer

Place : Mumbai

Date : May 19, 2015

Place : Manipal

Date : May 19, 2015



Consolidated Statement of Profit and Loss for the year ended March 31, 2015

Rupees in Thousands

Particulars	Note No.	2014-15	2013-14
Revenue from operations	2.16	40,851	51,734
Other income	2.17	19,481	17,291
Total Revenue		60,332	69,025
Expenses:			
Purchases	2.18	29,151	36,869
Changes in inventories of traded goods	2.19	(3,178)	(11,206)
Employee benefits expense	2.20	10,097	8,542
Other Expenses	2.21	9,098	9,922
Finance costs	2.22	3,324	4,976
Depreciation and amortization expense	2.23	1,546	785
Total expenses		50,038	49,888
Profit before tax		10,294	19,137
Tax expense:			
Current tax		1,075	712
Profit for the period after Tax		9,219	18,425
Share of profit/(loss) of associate		(266)	(950)
Profit for the year		8,953	17,475
Earnings per equity share of par value Rs. 10/- each Basic & Dilutive (in Rupees)	2.27	0.71	1.41
Significant accounting policies and notes to consolidated financial statements	1 & 2		

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No.: 101720W

For and on behalf of the Board

Sd/-

T. Mohandas Pai

Chairman & Whole-time Director

DIN-00104336

Sd/-

Chandan Lala

Partner

Membership No.: 35671

Sd/-

H. N. S. Rao

Director

DIN-00106953

Sd/-

Bharath K. Nayak

Director

DIN-00776729

Sd/-

G. R. Nayak

Chief Financial Officer

Place : Mumbai

Date : May 19, 2015

Place : Manipal

Date : May 19, 2015

Significant Accounting Policies and Notes to Consolidated Financial Statements

Company overview

ICDS Limited (“the Company” / “the Parent Company”) was incorporated on October 21, 1971 and registered as a Non-Banking Financial Company (NBFC). The Company had filed the Scheme of Arrangement during August 2002, and stopped its fund based business and surrendered its certificate of registration as Non-Banking Finance Company to RBI. The Company is presently concentrating on the recovery of its dues and repaying its liabilities and is also engaged in marketing of the insurance products of life and general insurance companies. The Company is diversifying into more fee based activities.

1. Significant accounting policies

1.01 Principles of Consolidation

The consolidated financial statements related to ICDS Limited and all of its subsidiary companies (herein after collectively referred to as ‘Group’) and its associates have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating inter company balances and transactions and unrealised profits or losses in accordance with the Accounting Standard 21 “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- ii) Investments in Subsidiaries are eliminated and differences between the cost of investment over the net assets on the date of investment, or on the date of the financial statements immediately preceding the date of investment in subsidiaries are recognised as goodwill or capital reserve, as the case may be.
- iii) The difference between the proceeds from disposal of investment in a subsidiary, and the proportionate carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiaries.
- iv) In case of Associates, where the Company directly or indirectly through its Subsidiaries holds 20% or more of equity investments in associates are accounted for using ‘Equity Method’ in accordance with Accounting Standard - 23 “Accounting for investments in associates in consolidated financial statements” issued by The Institute of Chartered Accountants of India. The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the Associates’ Statement of Profit and Loss, based on the available information. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- v) As per equity method, if the Company’s share of losses of an associate equals or exceeds the carrying amount of the investment, the Company ordinarily discontinues recognising its share of further losses and the investment is reported at nil value. Additional losses are provided for to the extent that the investor has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the investor has guaranteed or to which the investor is otherwise committed. If the associate subsequently reports profits, the investor resumes including its share of those profits only after its share of the profits equals the share of net losses that have not been recognised.
- vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s standalone financial statements.

1.02 Investments other than in subsidiaries and associates are accounted as per Accounting Standard - 13 “Accounting for Investments”.

1.03 Basis of preparation of Consolidated financial statements

a. The subsidiary companies considered in consolidation are:

Name of the company	Country of Incorporation	Extent of holding & Voting Power	
		As on March 31, 2015	As on March 31, 2014
a) Manipal Hotels Limited	India	100.00%	100.00%
b) Manipal Properties Limited	India	99.89%	99.89%

b. The financial statements of the Company and its subsidiaries and associates used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e., year ended March 31, 2015.

1.04 Other significant accounting policies

These policies are set out under 'Significant Accounting Policies' as given in the Company's standalone financial statements.

2. Notes to Consolidated Financial Statements

2.01 Share Capital

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Authorised Capital		
35,000,000 [March 31, 2014 : 35,000,000] Equity Shares of Rs. 10 each	350,000	350,000
15,000,000 [March 31, 2014 : 15,000,000] Preference Shares of Rs. 10 each	150,000	150,000
	500,000	500,000
Issued, Subscribed and Paid-Up Capital		
13,026,700 [March 31, 2014 : 13,026,700] Equity Shares Rs. 10 each fully paid up	130,267	130,267
Total	130,267	130,267

Reconciliation of number of shares

Particulars	March 31, 2015		March 31, 2014	
	No. of Shares	Rupees in thousands	No. of Shares	Rupees in thousands
Equity shares :				
Balance as at the beginning of the year	13,026,700	130,267	13,026,700	130,267
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	13,026,700	130,267	13,026,700	130,267

Rights, preferences and restrictions attached to shares:

The Company has two classes of shares referred to as equity shares and preference shares having par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. The Company has not issued any preference shares as on March 31, 2015.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Restrictions on the distribution of dividends:

The Board shall, propose to the shareholders the dividend payable out of free reserves and profits of the Company. Upon such recommendation shareholders shall declare dividends i) all such dividends & profits shall be paid to shareholders in their existing shareholding pattern and ii) any such dividend or other distribution shall be based on profit generated by the Company or on appropriate basis permitted by the applicable laws.

Shares in the Company held by each shareholder holding more than 5% shares:

Name of the Shareholder	March 31, 2015		March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Teaching Fraternity & Education Trust (including shares held by its trustee Dr. H. Shantaram)	2,104,000	16.15%	2,104,000	16.15%
Music & Fine Arts Education Trust (including shares held by its trustee Sri T. Ranga Pai)	1,476,600	11.34%	1,476,600	11.34%
Mahendra Girdharilal	1,215,023	9.33%	1,215,023	9.33%
The Academy of General Education	868,488	6.67%	868,488	6.67%
Life Insurance Corporation of India Ltd.	677,001	5.20%	677,001	5.20%

2.02 Reserves and Surplus
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Securities Premium		
Opening Balance	33,334	33,334
Add: Additions during the year	-	-
Closing Balance	33,334	33,334
Revaluation Reserve		
Opening Balance	33,986	34,740
Less: Transfer to Statement of Profit and Loss (refer note no. 2.23)	-	(754)
Closing Balance	33,986	33,986
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	(41,455)	(58,930)
Less: Profit/(Loss) for the current year	8,953	17,475
Closing Balance	(32,502)	(41,455)
Total	34,818	25,865

2.03 Other long term Liabilities
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Lease/Rent Deposits	119	5,025
Total	119	5,025

2.04 Short term Borrowings
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Secured Loans		
Working Capital loans from Banks	13,139	47,840
Total	13,139	47,840

Notes:
Nature of security

The above working capital loan is secured by deposit with banks amounting to Rs. 15,500 thousands (March 31, 2014: Rs. 55,000 thousands).

Terms of repayment

The above loan is repayable on demand. Interest for such borrowing ranges from 9.65% to 10.50% p.a.

2.05 Trade payables
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Due to Micro and small enterprises*	-	-
Due to other than Micro and small enterprises	2,639	510
Total	2,639	510

* There are no Micro, Small and Medium Enterprises to which the company owes dues or with which the company had transactions during the period, based on the information available with the company.

2.06 Other current liabilities
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Public Liabilities		
Unclaimed		
<i>Amount due to Investor Education and Protection Fund</i>		
– Other public liabilities	-	158
Others		
– interest on matured deposits	10,027	10,098
– matured debentures (a)	439	439
– interest on matured debentures	14,838	15,228
– interest on matured subordinated debts	3,182	3,195
– Other Public Liabilities (b)	29,367	29,557
Other Payables	1,743	1,979
Advance received from customers	339	717
Rent Deposits	3,618	1,525
Book Overdraft	-	1
Statutory Dues	260	300
Total	63,813	63,197

Notes

- Consists of public liabilities which is held and not paid as the matter being subjudice with Hon'able Court of Andhra Pradesh.
- The management is of the opinion that the due date for remittance of unclaimed public liabilities starts after seven years from the due date of the last installment of the instrument as per the Scheme of Arrangement ('the Scheme') under Section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Karnataka ('the court') vide its order dated October 15, 2004 and filed with the Registrar of Companies, Karnataka on December 30, 2004 (i.e. effective date) in respect of repayment of instruments which were payable in more than one installment, accordingly the management considers Rs.16,452 thousands outstanding with regard to the first three installments (March 31, 2014: Rs.9,070 thousands outstanding with regard to the first two installments) is not due for payment to Investor Education and Protection Fund ('IEPF') pending last installment falling due. In view of the same the management is of the opinion that the same is not due for payment to IEPF.



Significant accounting policies and notes to financial statements

2.07 Fixed Assets

Rupees in Thousands

Description of Assets	Gross Block			Depreciation and Lease Equalisation				Net Block		
	April 01, 2014	Additions	Deductions/ sale	March 31, 2015	April 01, 2014		For the year	Deductions/ sale	March 31, 2015	March 31, 2014
					Deprn.	Eqn.				
A. OWNED ASSETS										
Buildings	3,367	-	-	3,367	1,188	-	42	-	1,230	2,179
Plant & Machinery	195	-	-	195	39	-	103	-	142	156
Electrical Fittings	106	38	-	144	46	-	17	-	63	60
Furniture & Fittings	2,079	-	79	2,000	2,079	-	-	79	2,000	-
Office Equipments & Computers	458	16	-	474	240	-	146	-	386	218
Vehicles	5	-	-	5	5	-	-	-	5	-
Total of 'A'	6,210	54	79	6,185	3,597	-	308	79	3,826	2,613
B. ASSETS GIVEN ON LEASE										
Plant & Machinery	612,686	-	-	612,686	429,532	183,154	-	-	429,532	183,154
Vehicles	69,500	-	-	69,500	69,157	343	-	-	69,157	343
Total of 'B'	682,186	-	-	682,186	498,689	183,497	-	-	498,689	183,497
Grand Total of A+B	688,396	54	79	688,371	502,286	183,497	308	79	502,515	2,359
Previous Year	705,925	102	17,631	688,396	519,205	183,497	269	17,188	502,286	2,613

Notes: a) In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has revised the estimated useful lives of its fixed assets with effect from April 01, 2014. Accordingly, the net book value of the fixed assets as at April 01, 2014, is depreciated on a prospective basis over the remaining useful life. This change in accounting estimate has resulted in increase in depreciation and amortisation expenses for the period ended March 31, 2015 by Rs. 59 thousands. In case of fixed assets whose useful life on such reassessment had expired as of April 01, 2014, net book value of assets of Rs. 117 thousands is also depreciated during the year.

2.08 Non-current investments
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Trade investments		
(Non Current, Valued at cost)		
Long term Investments (at cost)		
Investment property (Refer notes (a) to (e) below)		
Cost of Land	21,466	21,466
Cost of Building given on operating lease	77,901	77,901
	99,367	99,367
Less: Accumulated depreciation on buildings (includes depreciation for the year Rs.1,237 thousands (March 31, 2014 : Rs. 1,270 thousands)	22,670	21,433
	76,697	77,934
Investments in quoted, fully paid up Equity Shares (Refer note (f) below)		
<i>Associate Company</i>		
ICDS Securities Ltd [Refer Note No. 2.30]	-	25,366
[Nil (March 31, 2014 : 1,423,350) shares of face value of Rs. 10/- each]		
<i>Others</i>		
Lingapur Estates Ltd.	1,734	1,734
[153,392 (March 31, 2014 : 153,392) shares of face value of Rs. 10/- each]		
Manipal Finance Corporation Limited	9,181	9,181
[449,163 (March 31, 2014 : 449,163) shares of face value of Rs. 10/- each]		
	10,915	36,281
<i>Others</i>		
Development Co-op.Bank Ltd.	18	18
[1,200 (March 31, 2014 : 1,200) shares of face value of Rs. 10/- each]		
Manipal Housing Finance Syndicate Ltd.	9,103	9,103
[729,000 (March 31, 2014 : 729,000) shares of face value of Rs. 10/- each]		
	9,121	9,121
Less: Provisions for diminution in value of investments (Refer note (g) below)	9,181	10,915
Total	87,552	112,421
Aggregate value of quoted investments (net of provision)	-	25,366
Market Value of quoted investments	-	25,366
Aggregate value of unquoted investments (net of provision)	9,121	9,121

Notes:

- a. During the year, Manipal Properties Limited ('MPL'), has regrouped the cost of Land and Buildings amounting to Rs.21,466 thousands and Rs. 10,054 thousands respectively and accumulated depreciation on Buildings of Rs.2,817 thousands (March 31, 2014 : Rs.2,663 thousands) under Non-Current Investment from Fixed Assets, since MPL has decided to hold the property as long term investment. The said assets were classified as Fixed Assets till the year ended March 31, 2014. Accordingly the previous years amounts also have been regrouped.
- b. MPL is in the process of getting the property, mentioned in note (a) above, transferred in their name as per the Scheme of Arrangement, as sanctioned by the Hon'ble High Court of Karnataka vide order dated 25th August 2000. Further, the Land represents proportionate undivided share of land for the office premises owned.

- c. Investment property includes shares of the face value of Rs. 511/- (March 31, 2014 : Rs. 511/-) in Co-operative Housing Society.
- d. The management is of the opinion that the carrying cost of the Investment Property does not exceed its recoverable amount. Further the Company does not have any information whether internal or external, that indicates that 'impairment loss may have occurred'. Accordingly the question of impairment of aforesaid assets does not arise.
- e. In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has revised the estimated useful lives of its fixed assets with effect from April 01, 2014. Accordingly, the net book value of the investment property i.e. cost of building given on operating lease, as at April 01, 2014, is depreciated on a prospective basis over the remaining useful life. This change in accounting estimate has resulted in decrease in depreciation and amortisation expenses for the period ended March 31, 2015 by Rs. 34 thousands.
- f. Market price of the Quoted shares has been taken at face value, in the absence of trading in stock exchanges during the year.
- g. Details of Provisions for diminution in value of investments

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Lingapur Estates Ltd.	-	1,734
Manipal Finance Corporation Limited	9,181	9,181
Total	9,181	10,915

2.09 Long term loans and advances

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Unsecured, considered good		
Rent and other deposits	753	522
Advance taxes (net of Provisions)	53,547	53,155
VAT Input Credit	819	219
Total	55,119	53,896

2.10 Other non-current assets

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Deposit with banks maturing after 12 months	200	-
Total	200	-

2.11 Inventories

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Stock on Hire (At agreement value less amount received and unmatured hire charges)		
Under Hire Purchase Agreements		
Considered Good	-	-
Considered Doubtful	145,591	147,196
	145,591	147,196
Less: Provision	(145,591)	(147,196)
	-	-
Other Inventories (Valued at lower of cost or net realisable value)		
Shares and securities	8,592	8,592
Stock of Mobiles and Accessories	7,168	3,990
	15,760	12,582
Total	15,760	12,582

2.12 Trade receivables
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Unsecured		
Debts outstanding for a period exceeding six months		
Considered Good	-	-
Considered Doubtful	82	82
Less : Provision for doubtful debts	(82)	(82)
	-	-
Others - Considered Good	3,746	2,480
Total	3,746	2,480

2.13 Cash and bank balances
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Cash and cash equivalents		
Cash on hand	38	164
Cheques, drafts and stamps on hand	-	5
Balances with banks		
in current accounts	3,250	3,093
in deposit accounts	23,457	-
	26,745	3,262
Other bank balances		
Deposit with banks maturing between 3 to 12 months	10,319	2,074
Margin Deposit with banks [pledged as security against working capital loan]	15,500	55,000
	25,819	57,074
Total	52,564	60,336

2.14 Short term loans and advances
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Demerger receivables (secured)		
Considered good		
from Others [Refer note (a)(i)]	16,704	15,076
Considered doubtful		
from others	101,005	101,005
	117,709	116,081
	(101,005)	(101,005)
Less: Provision	16,704	15,076
Unsecured Loans		
Considered good [Refer note (b)]	8,892	8,979
Considered doubtful	68,173	68,174
	77,065	77,153
Less: Provision	(68,173)	(68,174)
Other Receivables	63	63
Advance given to creditors	278	-
LIC Group Gratuity Fund Asset (net)	996	1,432
Total	26,933	25,550

Notes:

a. Demerger receivable:

- i. Demerger receivable represents Rs.16,704 thousands (March 31, 2014: Rs.15,076 thousands) from MPL Enterprises Ltd. pursuant to the scheme of arrangements sanctioned by Hon'ble High Courts of Karnataka and Madras vide their Orders dated April 09, 1999 and August 25, 2000 respectively. The balance is considered good for recovery in the opinion of the management, as the value of the property vested in MPL Enterprises Ltd. is adequate.
 - ii. The Company has provided for Rs. 7,839 thousands (March 31, 2014 : Rs. 7,830 thousands) towards amount recoverable from Manipal Hotels Limited and Rs. 3,799 thousands (March 31, 2014 : Rs. 8,536 thousands) towards amount recoverable from Manipal Properties Ltd. of its subsidiaries. The amount provided in the company books have been eliminated in the consolidated statement of accounts in the absence of any write back in subsidiary books.
- b. Unsecured Short term Loans includes Rs.7,830 thousands (March 31, 2014 : Rs.7,830 thousands) [net of provisions of Rs.5,688 thousands (March 31, 2014 : Rs. 5,688 thousands)] towards advances given on Capital account by Manipal Hotels Ltd. ("MHL" / subsidiary company) to a venture in hotel industry, the balance of which is subject to confirmation. The capital advance as stated in the balance sheet (net of provisions) is considered good and recoverable. The subsidiary Company's ability to continue as a "Going Concern" largely depends upon the recovery of the aforesaid amount. The MHL accounts have been prepared on a "Going Concern" basis on the assumption that it will be able to recover the advance.

2.15 Other current assets

Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Interest accrued on term deposits	562	2,573
Accrued Income	-	253
Total	562	2,826

2.16 Revenue from operations

Rupees in Thousands

Particulars	2014-15	2013-14
Interest on loans and advances	61	55
Interest on demerger receivables	1,809	3,984
Bad debts recovered	9,474	9,791
Service charges and commission	1,991	3,568
Sale of Shares and securities	-	8,223
Sale of Mobiles and Accessories	27,516	26,113
Total	40,851	51,734

2.17 Other income

Rupees in Thousands

Particulars	2014-15	2013-14
Dividend received from		
Non-Current Investments	675	905
Others	695	644
Interest on term deposit	4,050	5,743
Other interest	155	236
Profit on sale of owned / leased assets	44	82
Profit on sale of shares and securities	-	1,105
Rent Received	9,525	6,631
Sundry Balances written back	917	-
Provision for diminution in value of investments no longer required	1,734	-
Excess provision for non-performing assets written back	1,606	1,926
Miscellaneous income	80	19
Total	19,481	17,291

2.18 Purchases
Rupees in Thousands

Particulars	2014-15	2013-14
Purchase of traded goods		
Mobiles and Accessories		
Handsets and data card	17,314	8,964
Rechargeable Vouchers	472	1,674
Electronic Charge	11,349	17,832
Others	16	58
Shares and securities	-	8,341
Total	29,151	36,869

2.19 Changes in inventories of traded goods
Rupees in Thousands

Particulars	2014-15	2013-14
Opening Stock		
Mobiles and Accessories	3,990	1,078
Shares and securities	8,592	298
	(a)	1,376
Closing Stock		
Mobiles and Accessories	7,168	3,990
Shares and securities	8,592	8,592
	(b)	12,582
Total	(a-b)	(11,206)

2.20 Employee benefits expense
Rupees in Thousands

Particulars	2014-15	2013-14
Salaries, wages and bonus	8,350	6,829
Contribution to provident and other funds [Refer Note No. 2.28]	763	848
Gratuity [Refer Note No. 2.28 (c)(vi)]	415	439
Staff welfare expenses	569	426
Total	10,097	8,542

2.21 Other Expenses
Rupees in Thousands

Particulars	2014-15	2013-14
Rent, rates and taxes	1,274	1,896
Printing and stationery	270	259
Directors sitting fees	30	30
Travelling and conveyance	978	2,071
Postage, telegram and telephones	387	440
Insurance	23	7
<i>Repairs and Maintenance:</i>		
Buildings	516	775
Others	335	382
Advertisement and Business Promotion	298	360
Legal and Professional Charges	2,205	1,711
<i>Auditors Remuneration:</i>		
Audit Fees	163	163
Tax Audit Fees	28	28
Certification	169	28
Brokerage & Commission	307	934
Service Charges	162	120
Loss on disposal of investment in associates (net)	1,615	-
Loss on discarded assets	-	430
Sundry Expenses	338	288
Total	9,098	9,922

2.22 Finance Costs
Rupees in Thousands

Particulars	2014-15	2013-14
Interest on		
- working capital loan from bank	3,224	4,891
- short term borrowings	58	7
- Interest others		
- delay in payment of taxes	9	27
Bank charges	33	51
Total	3,324	4,976

2.23 Depreciation and amortization expense
Rupees in Thousands

Particulars	2014-15	2013-14
Depreciation on tangible assets	462	433
Depreciation on investment property	1,084	1,106
	1,546	1,539
Less: Transfer from revaluation reserve (refer note (a) below)	-	(754)
Total	1,546	785

Note :

a) In lieu of issuance of "Application Guide on the provisions of the Schedule II to the Companies Act, 2013" by Institute of Chartered Accountants of India (ICAI) , during the year the Company has transferred the depreciation on revalued amount of the investment property amounting to Rs.737 thousands to statement of profit and loss account instead of adjusting it against the revaluation reserve (Refer Note No. 2.02).

2.24 In pursuance to the Scheme of Arrangement (the 'scheme') under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Karnataka ('the Court') vide its order dated October 15, 2004 and filed with the Registrar of Companies, Karnataka on 30th December 2004 (ie., effective date) the Company has implemented the scheme and accordingly repaid all installments of debentures, deposits and subordinated debts which were claimed in terms of the scheme. The Company has filed an affidavit on August 31, 2010 before the Court stating that the scheme has been successfully implemented and the Court has passed an Order stating that Scheme of Arrangement sanctioned by the Court on October 15, 2004 is fully complied by the Company.

The accounts have been prepared on Going concern basis, considering the successful implementation of the Scheme of Arrangement as mentioned above, the Company's foray into fee based activities and its intention to start fresh NBFC business subject to approval from Reserve Bank of India.

2.25 Contingent Liabilities and Commitments
Rupees in Thousands

Particulars	March 31, 2015	March 31, 2014
Contingent Liabilities:		
Guarantee issued in favour of bankers.	320	320
Share in outstanding bank guarantees furnished by Associate*	-	9,120
Claims against the company/disputed liabilities not acknowledged as debt/liabilities.	-	1,058
<i>Income Tax Demand:</i>		
Block assessment from AYs 1987-88 to 1997-98 [Refer note (a) below]	102,404	102,404
Assessment Year 1998-99 [Refer note (b) below]	14,962	-

* - Relating to ICDS Securities Limited, ceased to be an associate Company w.e.f. March 9, 2015.

- a. Represents income tax demand of Rs.102,404 thousands (March 31,2014: Rs.102,404 thousands) in respect of Block Assessment held in the period of assessment years from 1987-88 to 1997-98 following the Order of Hon'ble High Court of Karnataka in respect of disallowance of depreciation on leased assets. The Company's Special Leave Petition (SLP) filed before the Hon'ble Supreme Court of India against the Order of Hon'ble High Court of Karnataka has been admitted. The Company has deposited Rs. 50,744 thousands (March 31, 2014: Rs.49,335 thousands) against the said demanded Tax. The Company has offered one of its immovable property as security which is free of any encumbrances. Based on the decisions of the Appellate Authorities/Courts and the interpretations of other relevant provisions, the Company has been legally advised that the disallowance of depreciation will be allowed and demand raised on account of block assessments would get vacated and accordingly no provision is considered necessary.
- b. Represents income tax demand of Rs.14,962 thousands relating to Assessment Year 1998-99 in respect of Lease Equalisation Charges which was disallowed while computing profit u/s 115 JA by the Assessing Officer . The matter was remanded to Assessing Officer for fresh consideration vide Order from High Court of Karnataka dated December 17, 2013 . The Company has filed an appeal before the Commissioner of Income Tax (Appeals), Mangaluru in this regard. The management of the Company is confident that the said demand is not tenable based on the legal advice, decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and accordingly no provision is considered necessary.

2.26 Deferred tax

The Company has not recognized Deferred Tax Asset as per AS 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, constituting, mainly of carry forward losses, excess depreciation claimed in Income tax and provision for doubtful debts, as a matter of prudence. There are no Deferred Tax Liabilities or assets in Subsidiary Companies.

2.27 Calculation of Earning per share

Sl.	Particulars	2014-15	2013-14
a.	Nominal value per share (in Rupees)	10	10
b.	Net Profit available for equity shareholders (Rupees in thousands)	9,219	18,425
c.	Weighted Average No. of Equity Shares (Nos.)	13,026,700	13,026,700
d.	Basic / Diluted EPS of Rs.10/- each (in Rupees)	0.71	1.41

2.28 Employee Benefits

The Company has adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India [the 'revised AS 15'].

The disclosures as required under the revised AS 15 are as under:

Brief description of the Plans :

- a. The Company has two schemes for long-term benefits such as Provident Fund and Gratuity. In case of funded schemes, the funds are recognised by the Income Tax authorities and administered through trustees / appropriate authorities. The Company's defined contribution plan is Employees' Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no further obligation beyond making the contributions. The Company's defined benefit plan is Gratuity.
- b. Contribution to Provident Fund, Pension Fund and Other Funds under Employee benefits expenses are as under:

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
i.	Provident and Pension Fund	527	578
ii.	Employee State Insurance	173	187
Total		700	765

c. Based on statement received from Life Insurance Corporation of India (LIC), the following table sets forth the status of the Gratuity Plan (Funded) of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
i.	<i>Change in Defined Benefit Obligation</i>		
	Opening defined benefit obligation	3,446	3,234
	Current service cost	135	137
	Interest cost	276	259
	Past service cost	-	-
	Actuarial loss/(gain)	390	463
	Benefits paid	(1,320)	(647)
	Closing defined benefit obligation	2,927	3,446
ii.	<i>Change in fair value of plan assets</i>		
	Opening fair value of plan assets	4,879	5,057
	Expected return on plan assets	386	420
	Actuarial gain / (loss)	-	-
	Contributions by employer	(22)	49
	Benefits paid	(1,320)	(647)
	Closing fair value of plan assets	3,923	4,879
iii.	<i>Actual return on plan assets</i>	386	420
iv.	<i>Amount recognised in the balance sheet</i>		
	Present value (PV) of obligations as at year end	2,927	3,446
	Less: Fair value of plan assets as at year end	3,923	4,879
	Net (asset) / liability recognised	(996)	(1,433)
v.	<i>Expenses recognised in the Statement of profit and loss</i>		
	Current service cost	135	137
	Interest on defined benefit obligation	276	259
	Expected return on plan assets	(386)	(420)
	Past service cost	-	-
	Net actuarial loss / (gain) recognised in the current year	390	463
	Total expense charged to statement of profit and loss	415	439
vi.	<i>Principal actuarial assumptions used</i>		
	Discount rate (p.a.)	8.00%	8.00%
	Expected rate of return on plan assets (p.a.)	7.91%	8.29%
	Rate of increase in compensation levels	3.50%	3.50%
	Mortality table	LIC (1994-96)	LIC (1994-96)
	Retirement age	58 Years	58 Years
vii.	<i>Experience adjustments</i>		
	Defined benefit obligation	2,927	3,446
	Plan assets	3,923	4,879
	Deficit / (surplus)	(996)	(1,433)

viii. **Data for defined gratuity benefit obligation and fair value of planned assets are as under :***

Particulars	2014-15	2013-14	2012-13	2011-12
Present value of defined benefit obligations at the end of the year	2,927	3,446	3,234	2,989
Fair value of plan assets at the end of the year	3,923	4,879	5,057	4,697
Net (assets) / liability at the end of year	(996)	(1,433)	(1,823)	(1,708)

* Data for defined gratuity benefit obligation and fair value of planned assets for the financial year 2010-11 is not disclosed as the Company had not received actuarial valuation report or information from LIC of India.

Notes:

- The Company's liability towards gratuity to employees is covered by a group policy with LIC of India and contributions are charged to statement of profit and loss.
- Based on the above allocation and the prevailing yields on these assets, the long term estimate of the expected rate of return on fund assets has been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

2.29 List of Related Parties with whom transactions are taken place during the year:

Relationship	Name of the Party
Associate Company/Institutions	ICDS Securities Limited *
Key Management Personnel and their Relatives	Bluecross Builders and Investors Limited T. Mohandas Pai – Chairman and Whole-time Director

Details of the Transactions :

Rupees in Thousands

Sl.	Particulars	2014-15	2013-14
a.	Brokerage paid on purchase and sale of shares – Associate Companies <i>ICDS Securities Ltd.*</i>	-	74
b.	Reimbursement of Expenses – Associate Companies Bluecross Builders and Investors Limited	33	23
c.	Outstanding balances as at March 31, 2015 <i>Due from / (To)</i> – Associate Companies Bluecross Builders and Investors Limited <i>ICDS Securities Ltd.*</i>	- -	64 500

* Ceased to be Associate Company w.e.f. March 9, 2015

2.30 Details of valuation of investments in Associate Companies as required by AS-23 “Accounting for Investments in Associates in Consolidated Financial Statement” are as follows:

Rupees in Thousands

Particulars	2014-15	2013-14
Name of the Associate : ICDS Securities Limited *		
Ownership interest (%)	-	40.00%
Original cost of investments	-	23,336
Amount of Goodwill / (Capital Reserve) (net)	-	1,138
Share of post acquisition profits *	1,764	2,030
Carrying cost of investments *	-	25,366
Name of the Associate : Blue Cross Builders and Investors Limited		
Ownership interest (through Manipl Properties Limited) (%)	47.60%	47.60%
Original cost of investments	1,001	1,001
Amount of Goodwill **	-	-
Share of post acquisition loss **	(1,001)	(1,001)
Carrying cost of investments ***	-	-

* - Ceased to be an associate w.e.f. March 9, 2015 and share of post acquisition profits is calculated based on unaudited financial statement of ICDS Securities Limited prepared upto March 9, 2015.

** - The Company has not provided for goodwill in view of share of loss of an associate exceeds the carrying amount of the investment. Since the Company's share of losses of an associate exceeds the carrying amount of the investment, the Company has not recognised its share of further losses and the investment is reported at nil value. Additional losses are provided for to the extent that the Company has made payments during the year.

*** - Valuation of investments in Bluecross Builders and Investors Limited is on the basis of unaudited Financial Statements for the year ended March 31, 2015 in the absence of audited financial statements of the Associate Company.

2.31 Consolidated Segment Information

The Company has identified three reportable segments viz., Financial Services and Sale of Shares, Mobiles & Accessories and Rent on Premises. Others include Hotel divisions, Marketing of the insurance products of life and general insurance companies. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Accordingly segment reporting disclosures as envisaged in Accounting Standard (AS-17) on Segmental Reporting, issued by the ICAI are given below.

Rupees in Thousands

Particulars	Financial Services (Recovery activities)	Trading Activities	Rent on Premises	Others	Inter-segment \ Eliminations	Consolidated
External Sales	11,344	28,950	5,274	557	-	46,125
	13,830	36,064	5,068	1,840	-	56,802
Inter segment Sales	300	-	-	-	(300)	-
	325	-	-	-	(325)	-
Total Revenue	11,644	28,950	5,274	557	(300)	46,125
	14,155	36,064	5,068	1,840	(325)	56,802
Segment result	4,613	1,302	1,242	79	(3,791)	3,445
	6,706	6,889	1,181	(1,466)	(955)	12,355
Provision for diminution in value of investments no longer required						1,734
Unallocated Corporate expenses						(5,901)
						(3,515)
Interest Income						4,205
						5,979
Dividend Income						1,370
						1,549
Other Income						5,441
						2,769
Profit before tax						10,294
						19,137
Income Taxes						(1,075)
						(712)
Share of loss of associate						(266)
						(950)
Net Profit after tax and share of loss of associates						8,953
						17,475
Segment Assets	134,100	21,479	30,015	7,920	-	193,514
	167,615	15,433	30,143	8,173	-	221,364
Segment Liabilities	72,673	2,978	3,934	125	-	79,710
	109,674	-	1,867	5,031	-	116,572
Capital Expenditure						54
						102
Depreciation and Lease	1,392		154	-		1,546
Equalisation (net)	621		164	-		785

Notes:

- a) Interest expenditure and interest income of the Company are not shown separately for financial services since the same are integral part of financial business.
b) Geographical segment is not relevant for the Company since it is not involved in exports.
c) Previous years figures given in Italics.

- 2.32 The Company has entered into certain cancellable operating lease agreements mainly for office premises and same has been charged to Statement of Profit and Loss amounting to Rs. 542 thousands (March 31, 2014 : Rs.338 thousands).
- 2.33 In the opinion of the management, loans and advances, current and non-current assets are good and recoverable and no provision is considered necessary.
- 2.34 Figures of the previous year wherever necessary, have been reworked, regrouped, reclassified and rearranged to conform with those of the current year.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board
Sd/-

T. Mohandas Pai
Chairman & Whole-time Director
DIN-00104336

Sd/-
Chandan Lala
Partner
Membership No.: 35671

Sd/-
H. N. S. Rao
Director
DIN-00106953

Sd/-
Bharath K. Nayak
Director
DIN-00776729

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Mumbai
Date : May 19, 2015

Place : Manipal
Date : May 19, 2015



Consolidated Cash Flow Statement for the year ended March 31, 2015

	<i>Rupees in Thousands</i>	
Description	2014-15	2013-14
(A) Cash Flow from Operating Activities		
Profit before tax	10,294	19,137
Adjustments for:		
Depreciation and amortization expense	1,546	785
Interest expenses	3,282	4,898
Loss on sale/Discard of fixed assets	-	430
Loss on sale of investments in Associate Company	1,615	-
Profit on sale of fixed assets	(44)	(82)
Profit on sale of shares & securities	-	(1,105)
Interest on term deposits	(4,050)	(5,743)
Other interests	(45)	(89)
Dividends	(1,370)	(1,549)
Excess Provision written back	(1,606)	(1,926)
Provision for diminution in value of investments no longer required	(1,734)	-
Sundry balances written back	(917)	-
<i>Operating profit before working capital changes</i>	<u>6,971</u>	<u>14,756</u>
<i>Adjustments for change in working capital</i>		
(Increase)/Decrease in Trade receivables	(1,265)	(89)
(Increase)/decrease in short term loans & advances and other assets	4,346	26,794
(Increase)/decrease in Inventories	(1,573)	(9,750)
Increase/(decrease) in Trade Payables and other liabilities	(7,077)	(36,283)
Cash generated from operations	1,402	(4,572)
Less: Interest paid	(3,756)	(6,125)
Income Tax (paid)/refunded	(1,468)	(3,006)
Net cash from/(used in) operating activities	<u>(3,822)</u>	<u>(13,703)</u>
(B) Cash flow from Investing activities		
Purchase of Fixed and Leased Assets	(54)	(102)
Sale of Fixed & Leased Assets	44	95
Sale of Investments	23,485	1,105
Decrease/(increase) in restricted deposits/bank balances	31,055	1,482
Interest received	6,106	5,949
Dividend received	1,370	1,549
Net cash from/(used in) investing activities	<u>62,006</u>	<u>10,078</u>
(C) Cash flow from Financing activities		
Proceeds/(Redemption) of debentures	-	(529)
Proceeds/(Redemption) of Subordinated debts	-	(214)
Proceeds/(Payment) of Public Deposits	-	(1,094)
Increase/(Decrease) of Bank Borrowing	(34,701)	3,027
Net Cash from/(used in) Financing Activities	<u>(34,701)</u>	<u>1,190</u>
Net Increase/(Decrease) in Cash equivalents (A+B+C)	23,483	(2,435)
Cash and Cash Equivalents at Beginning of the Year	3,262	5,697
Cash and Cash Equivalents at End of the Year	<u>26,745</u>	<u>3,262</u>

Notes: 1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements as referred to in Section 133 of the Companies Act, 2013.
2. Previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The Notes referred to above form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board
Sd/-
T. Mohandas Pai
Chairman & Whole-time Director
DIN-00104336

Sd/-
Chandan Lala
Partner
Membership No.: 35671

Sd/-
H. N. S. Rao
Director
DIN-00106953

Sd/-
Bharath K. Nayak
Director
DIN-00776729

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Mumbai
Date : May 19, 2015

Place : Manipal
Date : May 19, 2015

FORM NO. AOC-1

(Pursuant to sub-section (3) of Section 129 of the Act and Rule 5 of the Companies (Accounts) Rules, 2014.)

Statement containing the salient features of financial statements of Subsidiary/Associate Companies

Part "A" – Subsidiaries

(Amount in Rs.)

Name of Subsidiary Company	Manipal Hotels Ltd.	Manipal Properties Ltd.
Issued & Subscribed Capital	5,00,000	10,00,000
Reserves & Surplus	(4,78,993)	19,80,389
Total Assets	78,64,971	3,05,55,710
Total Liabilities	78,64,971	3,05,55,710
Investments	1,100	2,87,03,466
Turnover	(8,502)	53,18,855
Profit/(Loss) before Tax	(8,502)	12,86,726
Provision for Tax	-	2,45,186
Profit/(Loss) After Tax	(8,502)	10,41,540
Proposed Dividend	-	-
% of shareholding	100.00%	99.89%

Part "B" – Associates and Joint Ventures

Name of Associate Company	Blue Cross Builders and Investors Ltd.
1. Latest audited Balance Sheet Date	31-03-2014
2. Shares of Associate held by the company on the year end.	
No.	99,970 (Shares held by Manipal Properties Ltd., which is a wholly owned subsidiary of ICDS Ltd.)
Amount of Investment in Associate	Rs. 10,00,950/-
Extent of Holding %	47.60%
3. Description of how there is significant influence	There is significant influence due to percentage of share capital
4. Reason why the associate is not consolidated	-
5. Networth attributable to shareholding as per latest audited Balance Sheet	-
6. Profit for the year	
i. Considered in Consolidation	-
ii. Not considered in Consolidation	Rs. 2,11,928

Notes: 1. Reporting Period and reporting currency of the subsidiaries and Associate Company are the same as that of the Company.
2. Since ICDS Securities Ltd. was ceased to be Associate Company w.e.f. 09-03-2015, details are not provided in Part 'B'.

Sd/-
T. Mohandas Pai
Chairman & Whole time Director
(DIN 00104336)

Sd/-
H. N. S. Rao
Director
(DIN 00106953)

Sd/-
Bharath K. Nayak
Director
(DIN 00776729)

Sd/-
G. R. Nayak
Chief Financial Officer

Place : Manipal
Date : 19-05-2015



FORM NO. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)
Registered Address
E-mail Id Folio No./Client ID DP ID
I/We, being the member(s) of shares of the above named company. Hereby appoint
Name : E-mail Id:
Address:
Signature, or failing him
Name : E-mail Id:
Address:
Signature, or failing him
Name : E-mail Id:
Address:
Signature, or failing him
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company, to be held on Monday, the 28th September, 2015 at 4.00 p.m. at Rotary Hall, Manipal – 576 104 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(s)	Vote	
		For	Against
Ordinary Business:			
1.	To adopt statement of Profit & Loss, Balance Sheet, Report of Board and Auditor's for the financial year 31st March, 2015		
2.	Re-appointment of Mr. H. N. S. Rao, Director who retires by rotation and being eligible offers himself for re-appointment.		
3.	To ratify appointment of M/s Chaturvedi & Shah, Chartered Accountants as Statutory Auditors & fixing their remuneration		
Special Business:			
4.	To re-appointment Mr. T. Mohandas Pai as Chairman and Whole-time Director for a period of five years		
5.	To appoint Mrs. Vimal C. Kamath as Director liable to retire by rotation.		

* Applicable for investors holding shares in Electronic form.

Signed this _____ day of _____ 2015

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder

Signature of the Shareholder
across Revenue Stamp

- Note:** 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2) The proxy need not be a member of the Company.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

44th Annual General Meeting on Monday, the 28th September, 2015 at 4.00 p.m.

Full name of the members attending (In block capitals)

Ledger Folio No./Client ID No. No. of Shares held:

Name of Proxy

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 44th Annual General Meeting of the Company held on Monday, the 28th September, 2015 at 4.00 p.m.

(Member's/Proxy's Signature)

- Note:** 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3) A Proxy need not be a member of the Company.
4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

CUT HERE

BOOK-POST

If undelivered please return to :



Syndicate House
MANIPAL – 576 104

Form B

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	ICDS Limited
2.	Annual Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit Qualification	Qualified
4.	Frequency of Qualification	Repetitive in the Independent Auditor's Report on consolidated financial statements since financial year 2010-11.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report.	Notes to accounts – refer note no. 2.14(b) of the Consolidated financial statements.
6.	Additional comments from the board/audit committee chair	Nil

For ICDS Limited

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No.101720W



T Mohandas Pai

Chairman & Whole-time-Director



Chandan Lala

Partner

Membership No.35671




Bharath K Nayak

Chairman of Audit Committee



G R Nayak

Chief Financial Officer



Place : Manipal

Date : 19/05/2015

Place: Mumbai

Date: 19/05/2015

Regd. and Admn. Offices:

Syndicate House, P.B. No. 46, Upendra Nagar, Manipal – 576 104
Phones : EPABX : 0820-2571121 (11 Lines) Fax : 0820-2571141

CIN - L65993KA1971PLC002106