

INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
ICDS Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the statement') of ICDS Limited ('the Company') and its subsidiaries (the Company and its subsidiaries constitute 'the Group') for the three months period ended June 30, 2016 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in its meeting held on August 9, 2016, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting policies generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement ('SRE') 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review the financial results and other financial information of two subsidiaries whose financial results reflects total revenue of Rs.17.86 Lakhs and net profits of Rs.11.23 Lakhs for the quarter ended June 30, 2016. The financial results of these subsidiaries have been reviewed by other auditors, whose reports have been furnished to us by the Management, and our review on the statement is based solely on the review reports of the other auditors.
4. The comparative consolidated financial results for the quarter ended June 30, 2015 provided in the statement are unaudited and are as certified by the Management of the Company. We have not reviewed the aforesaid comparative results. Our review is being restricted to the results for the quarter ended June 30, 2016.
5. Basis for qualified conclusion:
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 give conclusion on the ultimate recoverability of unsecured short term loans and advances of Rs.78.30 Lakhs net of provision) as stated in Note no. 5 of the 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 no. 5 of the statements. Our report for the quarter ended March 31, 2016 was similarly modified.

6. **Qualified Conclusion:**

Based on our review conducted as above and on consideration of review reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, except for the possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the aforesaid accounting standards and other accounting policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Chaturvedi & Shah

Chartered Accountants

Firm Registration Number : 101720W



Chandan Lala

Partner

Membership No.:35671



Place: Mumbai

Date: August 9, 2016