

Regd. and Admn. Offices :
Syndicate House, P.B. No. 46,
Upendra Nagar, Manipal - 576 104
Phone : EPABX 0820-2701500
Fax : 0820-2571137
Website : www.icdslimited.com
CIN : L65993KA1971PLC002106



SEC/IN/NSE/BSE11/2016
10th November, 2016

The Manager – Listing
National Stock Exchange of India Ltd
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
MUMBAI – 400 051

The Manager - Listing
Bombay Stock Exchange Ltd
Regd. Office : Floor 25
P J Towers, Dalal Street
MUMBAI – 400 001

Kind. Attn: Mr Hari K
Vice President.

Tel : +91 22 26598235/36
Fax : +91 22 26598237/38

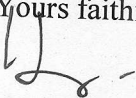
Kind. Attn : Mr Unmesh Zagade
Relationship Manager
(022 2272 8901)
Tele : +01 22 2272 1234

Dear Sir,

We send enclosed the Unaudited Financial Results (Reviewed) for the Half Year ended 30th September, 2016 duly approved in the Board Meeting held on 10th November, 2016 in terms of Regulation 33(3) of SEBI (LODR) Regulation 2015 alongwith Limited Review Report given by the Statutory Auditors of the Company.

The said results will be also available in the Website of the Company.

Thanking You,
Yours faithfully,


Director.
Encl : as above.



ICDS LIMITED

REGD.OFFICE: SYNDICATE HOUSE, MANIPAL 576104 UDUPI DT. KARNATAKA
CIN: L65993KA1971PLC002106

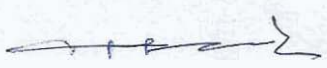
(Rs in lakhs)

Statement of Assets & Liabilities

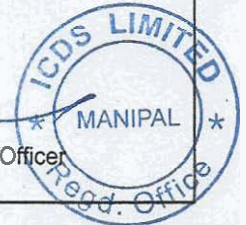
	Particulars	Stand alone		Consolidated	
		Half year ended 30-Sep-16 (Unaudited)	Year ended 31-Mar-16 (Audited)	Half year ended 30-Sep-16 (Unaudited)	Year ended 31-Mar-16 (Audited)
A	EQUITY AND LIABILITIES				
1	Shareholder's Funds				
	(a) Share Capital	1,302.67	1,302.67	1,302.67	1,302.67
	(b) Reserves and Surplus	121.23	52.60	467.07	399.37
	Sub total - Shareholder's Funds	1,423.90	1,355.27	1,769.74	1,702.04
2	Non - current Liabilities				
	(a) Other long term liabilities	57.64	57.64	57.64	57.64
	Sub total - Non current Liabilities	57.64	57.64	57.64	57.64
3	Current Liabilities				
	(a) Short term borrowings	75.03	130.97	75.03	130.97
	(b) Trade Payables	3.38	3.07	3.38	3.07
	(c) Other current liabilities	502.31	510.34	544.26	554.27
	Sub total - Current Liabilities	580.72	644.38	622.67	688.31
	TOTAL - EQUITY AND LIABILITIES	2,062.26	2,057.29	2,450.05	2,447.99
B	ASSETS				
1	Non Current assets				
	(a) Fixed assets	19.51	19.99	19.51	19.99
	(b) Non current Investments	582.23	587.66	856.97	863.17
	(c) Long term loans and advances	919.39	925.61	918.60	927.09
	(d) Other non current assets	53.36	11.41	53.36	11.41
	Sub total - Non Current assets	1,574.49	1,544.67	1,848.44	1,821.66
2	Current Assets				
	(a) Inventories	100.35	90.48	100.35	90.48
	(b) Trade receivables	22.22	27.61	25.55	31.56
	(c) Cash and cash equivalents	287.43	322.02	330.20	365.50
	(d) Short term loans and advances	69.74	67.84	135.38	133.48
	(e) Other current assets	8.03	4.67	10.13	5.31
	Sub total - Current assets	487.77	512.62	601.61	626.33
	TOTAL - ASSETS	2,062.26	2,057.29	2,450.05	2,447.99

For & on behalf of the Board of Directors

Place : Manipal
Date: November 10, 2016


T Mohandas Pai
Chairman & Wholetime Director
DIN - 00104336


G R Nayak
Chief Financial Officer



Statement of Unaudited Financial Results for the Half year/Quarter ended September 30, 2016

(Rs in lakhs)

ICDS LIMITED
 REGD.OFFICE: SYNDICATE HOUSE, MANIPAL 576104 UDUPPI DT. KARNATAKA
 CIN: L65993KA1971PLC002106

Annexure - 1

Sl. Particulars No.	Standalone				Consolidated							
	Quarter ended		Half year ended		Year ended	Quarter ended		Half year ended	Year ended			
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations												
(a) Net sales/income from operations (net of excise duty)	46.13	60.93	131.62	107.06	242.68	399.31	49.98	65.20	147.88	115.18	275.21	437.74
(b) Other operating income	-	-	-	-	-	-	-	-	-	-	-	-
Total income from operations (net)	46.13	60.93	131.62	107.06	242.68	399.31	49.98	65.20	147.88	115.18	275.21	437.74
2 Expenses												
(a) Cost of materials consumed	-	-	-	-	129.05	157.63	-	-	-	-	-	-
(b) Purchases of stock in trade	-	-	54.22	-	1.95	67.12	(3.53)	(6.34)	54.22	-	129.05	157.63
(c) Changes in inventories	(3.53)	(6.34)	11.71	(9.87)	1.95	67.12	(3.53)	(6.34)	11.71	(9.87)	1.95	67.12
(d) Employee benefits expense	18.75	17.57	19.12	36.32	39.08	75.43	18.75	17.57	19.12	36.32	39.08	75.43
(e) Depreciation and amortisation expense	3.08	6.17	2.99	6.17	6.06	12.40	3.47	3.47	3.38	6.94	6.83	13.94
(f) Legal and Professional charges	3.37	3.39	1.99	6.76	3.37	10.28	3.40	3.46	3.53	6.86	4.86	10.75
(g) Other expenses	6.75	7.29	33.67	14.04	45.24	92.56	6.87	10.82	32.20	17.89	103.26	103.26
Total expenses	28.42	25.00	123.70	53.42	224.75	415.42	28.96	28.98	124.16	67.94	281.09	428.13
3 Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	17.71	35.93	7.92	53.64	17.93	(16.11)	21.02	36.22	23.72	57.24	44.12	9.61
4 Other income	10.93	6.30	18.78	17.23	25.12	51.12	11.67	6.90	18.78	16.57	25.12	51.89
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items {3 +(-)4}	28.64	42.23	26.70	70.87	43.05	35.01	32.69	43.12	42.50	75.81	69.24	61.50
6 Finance Costs	2.47	3.30	3.41	5.77	6.83	13.86	2.47	3.30	3.41	5.77	6.83	13.86
7 Provision/Write offs (net of excess provision written back)	(9.09)	(6.94)	(11.49)	(16.03)	(16.77)	(7.42)	(9.18)	(6.97)	(2.01)	(16.15)	(3.95)	(13.72)
8 Profit/(Loss) from ordinary activities after finance costs but before exceptional items {5 +(-)6+(-)7}	35.26	45.87	34.78	81.13	52.99	28.57	39.40	46.79	41.10	86.19	66.36	61.36
9 Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
10 Profit/(Loss) from ordinary activities before tax {8+(-)9}	35.26	45.87	34.78	81.13	52.99	28.57	39.40	46.79	41.10	86.19	66.36	61.36
11 Tax expense	4.50	8.00	2.50	12.50	5.00	2.00	7.85	10.65	2.50	18.50	5.00	10.17
12 Net Profit/(Loss) from ordinary activities after tax {10+(-)11}	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19
13 Extraordinary items (net of expense Rs)	-	-	-	-	-	-	-	-	-	-	-	-
14 Net Profit/(Loss) for the period {12+(-)13}	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19
15 Share of profit/(loss) of associates	-	-	-	-	-	-	-	-	-	-	-	-
16 Minority interest	-	-	-	-	-	-	-	-	-	-	-	-
17 Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates {14+(-)15+(-)16}	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19



ICDS LIMITED
REGD.OFFICE: SYNDICATE HOUSE, MANIPAL 576104 UDUPI DT. KARNATAKA
CIN: L65993KA1971PLC002106

PART - I

(Rs in lakhs)

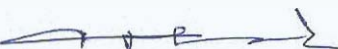
Statement of Unaudited Financial Results for the Half year/Quarter ended September 30, 2016

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Half year ended		Year ended	Quarter ended			Half year ended		Year ended
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
18	Paid up equity share capital (Face value of Rs 10 per share)	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67
19	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						(287.26)						59.51
20i	Earnings per share (before extra ordinary items) (of Rs 10/ each) (not annualised):												
	(a) Basic	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
	(b) Diluted	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
20ii	Earnings per share (after extra ordinary items) (of Rs 10/ each) (not annualised):												
	(a) Basic	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
	(b) Diluted	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39

Notes:

- The above results were reviewed by the Audit Committee and have been adopted by the Board of Directors in their meeting held on November 10, 2016 and have been subjected to Limited Review by the Statutory Auditors of the Company.
- The Company has not recognised Deferred Tax Assets in excess of Deferred Tax Liabilities as a matter of prudence.
- The Company does not foresee any diminution in the value of investments and balances due from subsidiary and the provisions made in the books are adequate and the management is hopeful of recovery of the same at the stated values.
- The Company has prepared its accounts on "going concern basis", in view of successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plan foray into new business of Non Banking Finance Company (Non-Deposit Taking) in future.
- Unsecured Short term Loans includes Rs 78.30 Lakhs (March 31, 2016 : Rs.78.30 Lakhs, September 30, 2015 Rs.78.30 Lakhs) [net of provisions of Rs.5,688 thousands (March 31, 2016 : Rs. 56.88 Lakhs, September 30, 2015 Rs.56.88 Lakhs)] 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 aforesaid capital advance (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.
- The Classification/Disclosure of items in the statement are in accordance with the Schedule III of the Companies Act, 2013.
- Figures pertaining to previous quarters/year have been regrouped, reclassified and restated, wherever necessary to conform to the classification adopted in the current quarter.

For & on behalf of the Board


T Mohandas Pai
Chairman & Wholetime Director
DIN - 0104336


G R Nayak
Chief Financial Officer



Place : Manipal
Date: November 10, 2016

Segment Wise Revenue, Results and Capital Employed for The Half Year/Quarter Ended September 30, 2016

(Rs in lakhs)

Particulars	Standalone						Consolidated					
	Quarter ended			Half year ended		Year ended	Quarter ended			Half year ended		Year ended
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue (net sale/income from operations & other income)												
a) Financial Services (Recovery activities)	15.32	23.21	42.97	38.53	74.44	123.37	15.32	23.21	42.97	38.53	74.44	123.37
b) Trading activities	2.67	10.57	69.49	13.24	146.04	203.79	2.67	10.57	69.49	13.24	146.04	203.79
c) Rent on premises	26.04	26.03	13.04	52.07	15.68	60.87	43.30	43.29	29.30	86.59	48.21	127.43
d) Others	2.10	1.12	6.12	3.22	6.52	11.28	2.10	1.12	6.12	3.22	6.52	11.28
Total	46.13	60.93	131.62	107.06	242.68	399.31	63.39	78.19	147.88	141.58	275.21	465.87
Less: Intersegment Revenue	-	-	-	-	-	-	13.41	12.99	-	26.40	-	28.13
Net Sales/Income from Operations	46.13	60.93	131.62	107.06	242.68	399.31	49.98	65.20	147.88	115.18	275.21	437.74
2. Segment Results: Profit before tax and interest from each segment												
a) Financial Services (Recovery activities)	13.47	17.16	20.70	30.63	36.72	57.00	0.14	4.20	11.20	4.34	23.90	30.29
b) Trading activities	3.84	14.41	(1.50)	18.25	3.24	(51.49)	3.84	14.41	(1.50)	18.25	3.24	(51.49)
c) Rent on premises	22.90	23.53	2.96	46.43	3.65	37.22	39.65	36.85	18.78	76.50	29.88	91.40
d) Others	1.31	0.35	5.29	1.66	4.94	8.18	1.29	0.31	5.29	1.60	4.90	7.85
Total	41.52	55.45	27.45	96.97	48.55	50.91	44.92	55.77	33.77	100.69	61.92	78.05
Less:(i) Other Un allocable Expenditure (Net)	17.18	15.89	10.38	33.07	19.27	72.55	17.18	15.89	10.38	33.07	19.27	74.58
(ii)Provision for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	6.00
(iii)Other Income	10.92	6.31	17.71	17.23	23.71	50.21	11.66	6.91	17.71	18.57	23.71	51.89
Total Profit Before Tax	35.26	45.87	34.78	81.13	52.99	28.57	39.40	46.79	41.10	86.19	66.36	61.36
Provision for taxation	4.50	8.00	2.50	12.50	5.00	2.00	7.85	10.65	2.50	18.50	5.00	10.17
Total Profit After Tax	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19
3. Capital Employed												
Segment assets												
a) Financial Services (Recovery activities)	541.64	561.27	560.40	541.64	560.40	529.12	518.98	561.27	542.04	518.98	542.04	506.47
b) Trading activities	121.73	121.00	212.90	121.73	212.90	115.77	121.73	121.00	212.90	121.73	212.90	115.77
c) Rent on premises	863.65	868.95	863.27	863.65	863.27	870.90	1,195.45	1,199.38	1,166.64	1,195.45	1,166.64	1,204.13
d) Others	0.55	0.55	0.55	0.55	0.55	0.55	79.20	79.10	79.20	79.20	79.20	79.19
Total	1,527.57	1,551.77	1,637.12	1,527.57	1,637.12	1,516.34	1,915.36	1,960.75	2,000.78	1,915.36	2,000.78	1,905.56
Segment Liabilities												
a) Financial Services (Recovery activities)	577.34	633.97	729.13	577.34	729.13	641.30	577.34	633.97	729.13	577.34	729.13	641.30
b) Trading activities	3.38	3.05	23.20	3.38	23.20	3.08	3.38	3.05	23.20	3.38	23.20	3.08
c) Rent on premises	57.64	57.64	36.19	57.64	36.19	57.64	99.56	99.73	73.55	99.56	73.55	101.49
d) Others	-	-	-	-	-	-	0.03	-	-	0.03	-	0.08
Total	638.36	694.66	788.52	638.36	788.52	702.02	680.31	736.75	825.88	680.31	825.88	745.95

Figures for the previous period/quarter have been regrouped and rearranged wherever necessary.

Place : Manipal
Date: November 10, 2016

For and on behalf of the Board


T Mohandas Pai
Chairman & Wholetime Director
DIN - 0104336


G R Nayak
Chief Financial Officer



ICDS LIMITED

REGD.OFFICE: SYNDICATE HOUSE, MANIPAL 576104 UDUPI DT. KARNATAKA
CIN: L65993KA1971PLC002106

(Rs in lakhs)

Extract of Unaudited Financial Results for the Half year/Quarter ended September 30, 2016

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Half year ended			Quarter ended			Half year ended		
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Total Income from operations (net)	46.13	60.93	131.62	107.06	242.68	399.31	49.98	65.20	147.88	115.18	275.21	437.74
2.	Net Profit/(Loss) from ordinary activities after tax	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19
3.	Net Profit/(Loss) for the period after tax (after extra ordinary items)	30.76	37.87	32.28	68.63	47.99	26.57	31.55	36.14	38.60	67.69	61.36	51.19
4.	Equity Share Capital (face value of Rs. 10 each)	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67	1,302.67
5.	Reserves (excluding Revaluation reserve as shown in the balance sheet of previous year)						(287.26)						59.51
6.	Earnings per share (before extra ordinary items) (of Rs 10/ each)												
	Basic	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
	Diluted	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
7.	Earnings per share (after extra ordinary items) (of Rs 10/ each)												
	Basic	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39
	Diluted	0.24	0.29	0.25	0.53	0.37	0.20	0.24	0.28	0.30	0.52	0.47	0.39

Notes

- 1) The above results were reviewed by the Audit Committee and have been adopted by the Board of Directors in their meeting held on November 10, 2016 and have been subjected to Limited Review by the Statutory Auditors of the Company.
- 2) The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange websites www.bseindia.com, www.nseindia.com and company's website www.icdslimited.com
- 3) The Company has not recognised Deferred Tax Assets in excess of Deferred Tax Liabilities as a matter of prudence.
- 4) The Company does not foresee any diminution in the value of investments and balances due from subsidiary and the provisions made in the books are adequate and the management is hopeful of recovery of the same at the stated values.
- 5) The Company has prepared its accounts on "going concern basis", in view of successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plan foray into new business of Non Banking Finance Company (Non-Deposit Taking) in future.
- 6) Unsecured Short term Loans includes Rs 78.30 Lakhs (March 31, 2016 : Rs 78.30 Lakhs, September 30, 2015 Rs.78.30 Lakhs) [net of provisions of Rs.5,688 thousands (March 31, 2016 : Rs. 56.88 Lakhs, September 30, 2015 Rs.56.88 Lakhs)] 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 aforesaid capital advance (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.
- 7) The Classification/Disclosure of items in the statement are in accordance with the Schedule III of the Companies Act, 2013.
- 8) Figures pertaining to previous quarters/year have been regrouped, reclassified and restated, wherever necessary to conform to the classification adopted in the current quarter.

For & on behalf of the Board of Directors

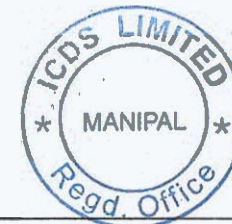
T Mohandas Pal

Chairman & Wholtime Director
DIN - 00104336

G R Nayak

Chief Financial Officer

Place : Manipal
Date: November 10, 2016



INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
ICDS Limited

1. We have reviewed the accompanying unaudited consolidated financial results of ICDS Limited ("the company") comprising of 'unaudited consolidated financial results' for the three months and six months ended September 30, 2016, along with unaudited consolidated Statement of assets and liabilities and explanatory notes thereon ('the Statement'), 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 November 10, 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 / financial information reflects total assets of Rs.410.45 Lakhs as at September 30, 2016, total revenue of Rs.35.86 Lakhs and net profits of Rs.25.34 Lakhs for the six months ended on that date, as considered in the consolidated financial results/ financial information. 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 three months and six months ended September 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 three months and six months ended September 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 year ended March 31, 2016 was similarly modified.

Contd..2



-2-

6. Qualified Conclusion:

Based on our review conducted as above and on consideration of review reports of other auditors on the unaudited separate 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: November 10, 2016