
20TH
ANNUAL REPORT
AND ACCOUNTS

2014-2015



ICDS SECURITIES LIMITED

Regd. Office: Syndicate House, Manipal-576104

CIN: U65110KA1995PLC017907

ICDS SECURITIES LIMITED

DIRECTORS

Shri T. Satish U. Pai
Dr. Ranjan Ramadas Pai
Shri Rajesh Krishnaswamy Moorti

WHOLE-TIME DIRECTORS

Shri D. Sreepathi
Shri G. S. Shridhar

BANKERS

Axis Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
Syndicate Bank

AUDITORS

M/s Pathak H.D. & Associates
Chartered Accountants
709, Tulsiani Chambers 212, Nariman Point
Mumbai – 400 021

REGISTERED OFFICE

Syndicate House
Upendra nagar, Manipal – 576 104

CORPORATE OFFICE

N-115 North block 1st Floor
Rear Wing, Manipal Centre
47 Dickenson Road
Bangalore - 560 042

REGISTRARS AND SHARE TRANSFER AGENTS

Cameo Corporate Services Ltd
Subramanian Building, No. 1
Club House Road
Chennai – 600 002

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of the Company will be held on September 14, 2015 at the registered office of the Company at Syndicate House, Manipal-576104 at 3.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Balance Sheet as at March 31, 2015 and Statement of Profit & Loss for the period ended as on that date and the Reports of Auditors and Directors thereon
2. T Satish U Pai (DIN 00104361), who retires by rotation in the ensuing Annual General Meeting and being eligible, offer himself for reappointment.
3. The statutory Auditors of the company Ms Pathak H.D. & Associates, Chartered Accountants (FR. No. 107783W), Mumbai were appointed as Auditors at the 19th Annual General Meeting to hold office up to the conclusion of the 22nd Annual General Meeting subject to the ratification of the appointment by members every year. The Auditors of your company have submitted certificate of their eligibility for reappointment under section 139 of the companies act, 2013 and being eligible have expressed their willingness to continue as the Auditors of the company. Consequently, ratification of their appointment is recommended to their share holders.

SPECIAL BUSINESS

4. Appointment of Dr. RANJAN RAMADAS PAI (DIN 00863123) as Director of the company:

To consider and, if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 152 (2) of Companies Act, 2013 and other applicable provisions if any, DR. RANJAN RAMDASPAI (DIN 00863123) be and is hereby appointed as director on the Board of the Company.

“RESOLVED FURTHER THAT any of the directors of the Company be and are hereby authorized to file necessary forms with the Registrar of companies, Karnataka and to do all such activities, deeds etc. required there under”.

5. Appointment of Mr. RAJESH KRISHNASWAMY MOORTI (DIN 01480683) as director of the company:

To consider and, if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 152 (2) of the Companies Act, 2013 and other applicable provisions if any, Mr. RAJESH KRISHNASWAMY MOORTI (DIN 01480683) be and is hereby appointed as director on the Board of the Company.

RESOLVED FURTHER THAT any of the directors of the Company be and is hereby authorized to file necessary forms with the Registrar of companies, Karnataka and to do all such activities, deeds etc. required there under”.

6. Change in Name of the Company :

To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT subject to the approval received and pursuant to the provisions of section 4 and 13 and all other applicable provisions of the Companies Act, 2013 the name of the company be and is hereby changed from “ICDS SECURITIES LIMITED” to “MEMG SECURITIES LIMITED” and that the name of the Company shall be “MEMG SECURITIES LIMITED” with effect from the date of issue of fresh certificate of incorporation by the Registrar of Companies, Karnataka in that behalf, and accordingly the name “ICDS SECURITIES LIMITED” wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the name “MEMG SECURITIES LIMITED”.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorised to file necessary returns, forms, applications, documents etc. with the Registrar of Companies, Karnataka.”

7. Alternation to the Memorandum of Association of the company

To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 13 of the Companies Act, 2013, clause I of the Memorandum of Association be and is hereby altered and read as follows:

I. The name of the company is “MEMG SECURITIES LIMITED”.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby severally authorized to do all such acts and deeds that may be required to give effect to this resolution.

8. Alteration of Articles of Association of the company

To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provision of section 14 and other relevant provisions, if any, of the Companies Act, 2013, the name of the Company in the Articles of Association of the Company be and is hereby altered and amended as follows:

“MEMG SECURITIES LIMITED”

RESOLVED FURTHER THAT any one of the directors of the Company be and is hereby severally authorized to file necessary papers, returns, documents etc with the Registrar of Companies and/or any other government agency/organization.”

By Order of the Board
ICDS SECURITIES LIMITED

Sd/-
D Sreepathi
Whole Time Director

Date: July 21, 2015
Place: Bangalore

NOTES:

1. On a show of hands, every holder of equity shares entitled to vote and present in person or by proxy shall have one vote and on a poll the voting right or every holder of equity share whether present in person or by proxy, shall be in proportion to his share of the paid-up equity capital of the company.
2. “A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The proxy form duly completed and signed should be deposited at the registered office of the company at least 48 hours before the commencement of the meeting.”
3. Members/proxies should fill in the attendance slip for attending the meeting. members are requested to bring their attendance slip.
4. An explanatory statement under section 102(1) of the companies act 2013 is annexed thereto.
5. In terms of the provisions of the companies act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the investor education and protection fund (IEPF). Shareholders are requested to ensure that they claim dividend before it is transferred to IEPF.
6. Members are requested to bring their copy of the annual report to the annual general meeting. Members are requested to intimate the company of any change in their registered address.
7. **THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**
 - I. The voting period begins on **11-09-2015 @ 9.30 a.m.** and ends on **13-09-2015 @ 5.30 p.m.**. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **07-09-2015**, 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. 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. Ex: 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).

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- 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 & enter the details as prompted by the system.
- XVIII. Note for Non-Individual Shareholders & 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 Corporate 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.

DIRECTORS' REPORT

To,
The Shareholders
ICDS SECURITIES LIMITED

Your Directors have pleasure in presenting for your consideration and approval the Twentieth Report of the Board with the Audited Financials of the Company for the year ended March 31, 2015.

FINANCIALS

	(Rs. in Lakhs)	
	Year ended March 2015	Year ended March 2014
Total Revenue	241.76	206.55
Total Expenses	221.88	202.67
Profit Before Depreciation	19.88	3.88
Less: Depreciation	29.07	29.70
Profit Before Tax	(9.19)	(25.82)
Less: Tax expenses / (Credit)	(1.31)	(2.08)
Profit for the year	(7.88)	(23.74)

PERFORMANCE OF THE COMPANY DURING THE YEAR

During the year, the Company earned a gross Income of Rs.2,41,75,621/- as against Rs.2,06,54,965/- in the previous year. The Income from operations comprised of brokerage income from domestic investors (including brokerage from Mutual Funds and other financial products distribution) of Rs.1,30,35,246/- as against 92,18,364/- for previous year and the service charges received, categorized as Export Services from offering Direct Market Access services under the brokerage business to Foreign clients (Foreign Portfolio Investors) is Rs.73,30,811/- against Rs 78,51,018/- for previous year.

The Company has incurred a net loss of Rs.7,88,082/- during the year as against a net loss of Rs. 23,73,784/- in the previous year.

The Brokerage business in the current FY 2014-15 has been better than the earlier financial years, however there are challenges in achieving higher revenue and margin growth for mid size firms without higher investments in technology and base capital funds with exchanges for undertaking more Institutional trades. Your company continued to concentrate on consolidation of revenues, reduction of operating expenses which in turn has helped in reduction of net loss for the year and achieving a EBITDA (profits) of Rs.21,41,188/- as against Rs.7,56,813/- for previous year. With the initial euphoria about big bang reforms expected from the new Govt. that was formed in May 2014, the markets after hitting all time high in the early 2015 has been under consolidation in spite of global negativities. We expect that Indian markets would do better than other peers in the second half of current FY 2015-16, which may increase the participation from local investors as well as return of foreign investors. Our business investment now for improvement and enhancement of trading capacities for ALGO based trading strategies using both CTCL (non-institutional trading infrastructure) and Direct Market Access infrastructure for Institutions at NSE and proposed new set up at BSE may come handy once the market participation improves and additional availability of Base capital for placing with exchanges would offer opportunities for the company.

The agency business for Fixed Deposits and other Debt products of various companies like HDFC Ltd., and M&M Financial Services Ltd. along with distribution of mutual fund products is continued.

DIVIDEND

In view of the loss incurred by the Company, your Directors have not recommended any dividend for the financial year 2014-15.

FUTURE OUTLOOK

India's growth prospect is expected to accelerate further in 2015-16 after showing pick up last year. Growth is expected to be boosted by ongoing measures being taken by Government and SEBI, relaxing norms to Foreign Portfolio Investors,, wider acceptance by large domestic investors for computer based algorithmic trading strategies and a good monsoon will have an impact on Financial Markets. The major challenge is however decrease in retail participation, consolidation in broking industry and online discount broking services offered by many brokers.

Your company will strive hard to increase the number of high net worth individuals and empanel more institutional clients to improve the business.

LISTING

Your company is in receipt of communication from OTC Exchange of India intimating BSE notice no. 20141111-37 dated 11/11/2014, confirming the admission & activation of equity shares of the company on the BSE Dissemination board with effect from 12/11/2014 and thus

resulting in delisting of equity shares of the company from OTCE Exchange of India, subsequent to surrender of Stock Exchange license by them. Your company does not satisfy the eligibility criteria for listing of the equity shares on any other recognised stock exchange like NSE, BSE, MCX-SX etc., at this point in time and hence the company is now an un-listed company

PERFORMANCE AND FINANCIAL POSITION OF EACH OF ITS SUBSIDIARIES

The company does not have any subsidiaries.

PARTICULARS OR CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Your Company has had no contracts with related parties during the period under review.

TECHNOLOGY ABSORPTION, ENERGY CONSERVATION AND FOREIGN EXCHANGE EARNING AND OUT GO

Foreign exchange:

Earnings : Rs.73,30,811/-

Outgo : Nil

Since the Company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, are not applicable.

DIRECTORS

Mr. T Satish U Pai (DIN 00104361), who retires by rotation in the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Dr. Ranjan Ramadas Pai (DIN 00863123) and Mr. Rajesh Moorti (DIN 01480683) were appointed as additional directors on the board of your company at the Board Meeting held on 29th May, 2015. They hold office upto the date of ensuing annual general meeting. The Company has received notices in writing along with requisite deposit from two members under Section 160 of the Companies Act, 2013 signifying their intention to propose candidature of each of Dr. Ranjan Ramdas Pai and Mr. Rajesh Krishnaswamy Moorti for confirmation/ appointment to the office of Director of the Company.

During the period under report, Mr. T Mohandas Pai, Chairman, Dr. Ravindranath Shanbhag and Mr. U Harish P Shenoy directors resigned from the Board owing to personal reasons. The Board wishes to place on record its appreciation of valuable services rendered by them during their tenures as directors.

STATUTORY AUDITORS

M/s Pathak H. D. & Associates, Chartered Accountants, Firm's registration No.107783W, Mumbai were appointed as Statutory Auditors for a period of 3 year(s) in the Annual General Meeting held on 26th September, 2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

AUDITOR'S REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

INTERNAL AUDIT & CONTROLS

The Company engaged Mr Muralidhar R Kini, Chartered Accountant, Manipal, (Membership No.022584) as its Internal Auditors. During the year, the Company continued to implement his suggestions and recommendations to improve the control environment. His 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 were discussed and acted upon and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

DEPOSITS

Your Company has not accepted any deposits from the public for the year under consideration.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your Company has not extended any Loans, Guarantees or Investments.

SHARES

The paid up Share Capital as on 31st March, 2015 was Rs.3,55,83,320/- divided into 35,58,332 equity shares of Rs.10/- each. 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.

ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished and is attached to this report.

BOARD MEETINGS DURING THE YEAR UNDER REVIEW

The Company had four Board meetings on 30th May, 2014, 14th August, 2014, 14th November, 2014 and 5th January, 2015 during the financial year under review.

DISCLOSURES ABOUT CORPORATE SOCIAL RESPONSIBILITY POLICY

Not applicable to the company.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility statement:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- The directors had 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.
- The directors had prepared the annual accounts on a going concern basis.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

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.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation of the support extended by the Shareholders, the Stock Exchanges, Brokers and Banks and Members of Staff of the Company during the year under report.

For and on behalf of the Board

Date: May 29, 2015
Place: Manipal

Sd/-
D. Sreepathi
Whole Time Director

Annual Return Extracts in MGT 9

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31ST March, 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:

1. CIN	UG5110KA1995PLC017907
2. Registration Date	30.05.1995
3. Name of the Company	ICDS SECURITIES LIMITED
4. Category/ Sub – Category of the Company	Company limited by shares
5. Address of the Registered office and Contact details	Syndicate House, Manipal - 576104 Karnataka (0820) 2701500
6. Whether listed Company	No
7. Name, Address and Contact details of Registrar and Transfer Agent , if any	M/s Cameo Corporate Services Ltd., Subramanian Building No.1, Club House Road, Chennai – 600 002 (Tele:044 28460390)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are stated as under :

SI No	Name and Description of main products/ services	NIC code of the Product/ service	%to total turnover of the Company
1	Stock Broking	64990	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
N.A					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year as on 01-04-2014				No. of shares held at the end of the year as on 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and Promoter Group									
1. Indian									
a. Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-	-
b. Central Govt / State Govt(s)	-	-	-	-	-	-	-	-	-
c. Body Corporate	1,426,450	12,500	1,438,950	40.44	1,774,950	-	1,774,950	49.88	9.44
d. Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
e. Any Other									
Directors and Their Relatives	158,076	97,401	255,477	7.18	152,176	5,801	157,977	4.44	(2.74)
	158,076	97,401	255,477	7.18	152,176	5,801	157,977	4.44	(2.74)
Sub-Total (A)(1)	1,584,526	109,901	1,694,427	47.62	1,927,126	5,801	1,932,927	54.32	6.70
2. Foreign									
a. Individuals (Non-Resident individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b. Bodies Corporate	-	-	-	-	-	-	-	-	-
c. Institutions	-	-	-	-	-	-	-	-	-
d. Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Share Holding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	1,584,526	109,901	1,694,427	47.62	1,927,126	5,801	1,932,927	54.32	6.70

Category of Shareholders	No. of shares held at the beginning of the year as on 01-04-2014				No. of shares held at the end of the year as on 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a. Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b. Financial Institutions /Banks	100,000	-	100,000	2.81	-	-	-	-	(2.81)
c. Central Govt / State Govt(s)	-	-	-	-	-	-	-	-	-
d. Venture Capital Funds	-	-	-	-	-	-	-	-	-
e. Insurance Companies	-	-	-	-	-	-	-	-	-
f. Foreign Institutional Investor	-	-	-	-	-	-	-	-	-
g. Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
h. Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Any Other									
Sub-Total (B)(1)	100,000	-	100,000	2.81	-	-	-	-	(2.81)
2. Non-Institutions									
a. Bodies Corporate	32,500	13,100	45,600	1.28	18,300	28,900	47,200	1.33	0.04
b. Individuals									
I) Individual Shareholders holding nominal share capital upto Rs.1 lakh	218,701	917,304	1,136,005	31.93	179,101	815,104	994,205	27.94	(3.99)
II) Individual Shareholders holding nominal share capital excess of Rs.1 lakh	47,800	-	47,800	1.34	49,500	-	49,500	1.39	0.05
c. Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d. Any other									
Foreign Body Corporate	533,500	-	533,500	14.99	533,500	-	533,500	14.99	-
Hindu Undivided family	500	-	500	0.01	500	-	500	0.01	-
Others	-	500	500	0.01	-	500	500	0.01	-
	534,000	500	534,500	15.02	534,000	500	534,500	15.02	-
Sub-Total (B)(2)	833,001	930,904	1,763,905	49.57	780,901	844,504	1,625,405	45.68	(3.89)
Category of Shareholders	No. of shares held at the beginning of the year as on 01-04-2014				No. of shares held at the end of the year as on 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B) = (B)(1)+(B)(2)	933,001	930,904	1,863,905	52.38	780,901	844,504	1,625,405	45.68	(6.70)
Total (A)+(B)	2,517,527	1,040,805	3,558,332	100.00	2,708,027	850,305	3,558,332	100.00	-
Shares held by custodians and against which depository receipts have been issued									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Total Custodian (C)	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	2,517,527	1,040,805	3,558,332	100.00	2,708,027	850,305	3,558,332	100.00	-

ii) Shareholding of promoters

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
		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	Manipal Education and Medical Group India Pvt Ltd	-	-	-	1,774,950	49.88	-	49.88
2	ICDS Llimited	1,423,350	40.00	-	-	-	-	(40.00)
3	M D Narayan	98,900	2.78	-	98,900	2.78	-	-
4	Mohandas Pai	89,100	2.50	-	-	-	-	(2.50)
5	Dinesh Kudva	42,276	1.19	-	42,276	1.19	-	-
6	T Satish U Pai	10,000	0.28	-	10,000	0.28	-	-
7	Manipal Media Network Ltd	8,000	0.22	-	-	-	-	(0.22)
8	Sandhya S Pai	4,900	0.14	-	-	-	-	(0.14)
9	Manipal Prakashan Pvt Ltd	4,500	0.13	-	-	-	-	(0.13)
10	Sharath Investments Private Limited	3,100	0.09	-	-	-	-	(0.09)
11	K K Pai (held under 2 folios)	3,000	0.08	-	3,000	0.08	-	-
12	Dinesh Nayak Kepul	1,800	0.05	-	1,800	0.05	-	-
13	Ranjan R Pai	1,000	0.03	-	-	-	-	(0.03)
14	T Gautham Pai	1,000	0.03	-	-	-	-	(0.03)
15	Radhakantha Pai K	500	0.01	-	500	0.01	-	-
16	Ramachandra M Kamath	500	0.01	-	500	0.01	-	-
17	Ramdass M Pai (held under 3 folios)	1,500	0.04	-	-	-	-	(0.01)
18	Vijayalakshmi Shantaram	500	0.01	-	500	0.01	-	-
19	G S Shridhar (held under 2 folios)	301	0.01	-	301	0.01	-	-
20	D Sreepathi	200	0.01	-	200	0.01	-	-

(iii) Change in Promoters' Shareholding

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
1	IC D S LIMITED				
	At the beginning of the year 01-Apr-2014	1423350	40.00	1423350	40.00
	Sale 13-Mar-2015	-1423350	40.00	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
2	M D NARAYAN				
	At the beginning of the year 01-Apr-2014	98900	2.78	98900	2.78
	At the end of the Year 31-Mar-2015	98900	2.78	98900	2.78
3	MOHANDAS PAI				
	At the beginning of the year 01-Apr-2014	89100	2.50	89100	2.50
	Sale 02-Jan-2015	-89100	2.50	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
4	DINESH KUDVA				
	At the beginning of the year 01-Apr-2014	42276	1.19	42276	1.19
	At the end of the Year 31-Mar-2015	42276	1.19	42276	1.19
5	T SATISH U PAI				
	At the beginning of the year 01-Apr-2014	10000	0.28	10000	0.28
	At the end of the Year 31-Mar-2015	10000	0.28	10000	0.28
6	MANIPAL MEDIA NETWORK LTD				
	At the beginning of the year 01-Apr-2014	8000	0.22	8000	0.22
	Sale 20-Mar-2015	-8000	0.22	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
7	SANDHYA S PAI				
	At the beginning of the year 01-Apr-2014	4900	0.14	4900	0.14
	Sale 06-Mar-2015	-4900	0.14	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
8	MANIPAL PRAKASHAN PVT LTD				
	At the beginning of the year 01-Apr-2014	4500	0.13	4500	0.13
	Sale 20-Mar-2015	-4500	0.13	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
9	SHARATH INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	3100	0.09	3100	0.09
	Sale 06-Mar-2015	-3100	0.09	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
10	KALSANK KAMALAKSHA PAI				
	At the beginning of the year 01-Apr-2014	3000	0.08	3000	0.08
	At the end of the Year 31-Mar-2015	3000	0.08	3000	0.08
11	DINESH NAYAK KEPUL JT1 : KEPUL ARUNA NAYAK				
	At the beginning of the year 01-Apr-2014	1800	0.05	1800	0.05
	At the end of the Year 31-Mar-2015	1800	0.05	1800	0.05
12	RANJAN R PAI				
	At the beginning of the year 01-Apr-2014	1000	0.03	1000	0.03
	Sale 20-Mar-2015	-1000	0.03	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
13	T GAUTHAM PAI				
	At the beginning of the year 01-Apr-2014	1000	0.03	1000	0.03
	Sale 06-Mar-2015	-1000	0.03	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
14	RADHAKANTHA PAI K				
	At the beginning of the year 01-Apr-2014	500	0.01	500	0.01
	At the end of the Year 31-Mar-2015	500	0.01	500	0.01

15	RAMACHANDRA M KAMATH JT1 : RADHA R KAMATH				
	At the beginning of the year 01-Apr-2014	500	0.01	500	0.01
	At the end of the Year 31-Mar-2015	500	0.01	500	0.01
16	RAMDAS M PAI				
	At the beginning of the year 01-Apr-2014	1500	0.04	1500	0.04
	Sale 20-Mar-2015	1500	0.04	0	-
	At the end of the Year 31-Mar-2015	0	-	0	-
17	VIJAYALAKSHMI SHANTARAM				
	At the beginning of the year 01-Apr-2014	500	0.01	500	0.01
	At the end of the Year 31-Mar-2015	500	0.01	500	0.01
18	G S SHRIDHAR				
	At the beginning of the year 01-Apr-2014	301	0.01	301	0.01
	At the end of the Year 31-Mar-2015	301	0.01	301	0.01
19	D SREEPATHI				
	At the beginning of the year 01-Apr-2014	200	0.01	200	0.01
	At the end of the Year 31-Mar-2015	200	0.01	200	0.01
	NEW PROMOTER SHAREHOLDER AS ON (31-Mar-2015)				
20	MANIPAL EDUCATION AND MEDICAL GROUP INDIA PVT LTD				
	At the beginning of the year 01-Apr-2014	0	-	0	-
	Purchase 06-Mar-2015	98100	2.76	98100	2.76
	Purchase 13-Mar-2015	1562850	43.92	1660950	46.68
	Purchase 20-Mar-2015	15700	0.44	1676650	47.12
	Purchase 27-Mar-2015	98300	2.76	1774950	49.88
	At the end of the Year 31-Mar-2015	1774950	49.88	1774950	49.88

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

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SHK EBENE LIMITED	533500	14.99	533500	14.99
2	REPATRIATES CO OPERATIVE FINANCE & DEVELOPMENT BANK LTD	100000	2.81	0	-
3	SADASHIVA PAI B	35200	0.99	35700	1.00
4	VICTORY GLASS AND INDUSTRIES LIMITED	30000	0.84	30000	0.84
5	INDRA KUMAR BAGRI	13100	0.37	15300	0.43
6	M S P SPICES LTD	10000	0.28	10000	0.28
7	SRI RAJES M S P,	10000	0.28	10000	0.28
8	SHAIRUL SHAILESH MEHTA	10000	0.28	10000	0.28
9	DINESH KUDVA	10000	0.28	10000	0.28
10	SEETHACHANDRASHEKAR	10000	0.28	0	-
12	PREMALATHA S	5000	0.14	5000	0.14
13	UDAYA HOLLA	5000	0.14	5000	0.14

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Date wise Increase / Decrease in shareholding during the year specifying reason (eg. Allotment/ Transfer/ bonus sweat equity etc)			Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No of shares	'% of total shares of the company
1	T.Satish U Pai	10,000	0.28	-	-	-	10,000	0.28
2	T.Mohandas Pai *	89,100	2.50	02-Jan-15	(89,100.00)	Transfer	-	-
3	U Harish P Shenoy *	700	0.01	02-Jan-15	(700.00)	Transfer	-	-
4	Dr. Ravindranath Shanbhag *	-	-	-	-	-	-	-
5	D.Sreepathi	200	0.01	-	-	-	200	0.01
6	G S Shiridhar	301	0.01	-	-	-	301	0.01
7	Dr. Ranjan Ramdas Pai **	1,000	0.03	20-Mar-15	(1,000.00)	Transfer	-	-
8	Rajesh Krishnaswamy Moorti**	-	-	-	-	-	-	-

Note: * - resigned as Director on 29/05/2015, ** - New Directors appointed on 29/05/2015

V. INDEBTEDNESS – NIL

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total(i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
• Addition				
• Reduction				
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total(i+ii+iii)	-	-	-	-

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 Whole Time Directors	Total Amount (Rs)
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	D. Sreepathi G. S. Shridhar Nil Nil	13,36,900/- 12,63,750/- Nil Nil
2.	Stock option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - As % of profit - Others specify.....	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total(A)		26,00,650/-
	Ceiling as per the Act		84,00,000

B. Remuneration to other Directors:

Sl No	Particulars of Remuneration	Name of Directors		Total Amount (RS)
	Independent Directors	Dr. Ravindranath Shanbhag	U Harish P Shenoy	
	• Fee for attending board committee meetings each.	6,000/-	6,000/-	12,000/-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total(1)			12,000/-
	Other Non-Executive Directors	T Mohandas Pai	T Satish U Pai	Total Amount
	• Fee for attending board committee meetings	6,000/-	6,000/-	12,000/-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total(2)			12,000/-
	Total(B) =(1+2)			24,000/-
	Total Managerial Remuneration			26,24,650/-

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

Sl No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	Nil
	(b) Value of perquisites u/s 17(2) income tax Act, 1961	-	-	-	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	Nil
2.	Stock option	-	-	-	Nil
3.	Sweat Equity	-	-	-	Nil
4.	Commission				
	- As % of profit - Others specify.....	-	-	-	Nil
5.	Others, please specify	-	-	-	Nil
	Total(A)				Nil
	Ceiling as per the Act				Nil

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/ B. DIRECTORS / C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment	NONE				
Compounding	NONE				

INDEPENDENT AUDITORS REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **ICDS Securities 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 significant accounting policies and other explanatory information.

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these 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 financial statements.

OPINION

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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.
2. As required by Section 143(3) of the Act, we report 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.
 - b) 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;
 - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 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 does not have any pending litigations which would impact its financial position.
 - 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 no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the Annexure referred to in our report to the members of ICDS Securities 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 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) The company has no Inventories and therefore clause 3(ii) of the Order about physical verification, valuation and maintenance of records of inventories is not applicable to the Company.
- 3) As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties listed in the register maintained under section 189 of the Act. Consequently requirements of Clauses 3(iii)(a) to 3(iii)(b) of the Order are not applicable to the Company.
- 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 fixed assets and for the sale of 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 explanations given to us, the Company has not accepted any deposits from public as per the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. Accordingly, provision of Clause 3(v) of the Order is not applicable to the Company. There are no orders from 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 (l) 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 undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, cess and any 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.
b) According to the records of the Company, there are no dues of income tax, service tax or cess or other statutory dues which have not been deposited on account of any dispute.
c) According to the information and explanations given to us, the Company has transferred the required amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within time.
- 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) In our opinion and according to the information and explanation given to us, there are no dues payable to a financial institution or bank or debenture holder.
- 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 Pathak H.D. & Associates Chartered Accountants
Firm Registration Number: 107783W

sd/-

Sudhir Prabhu K
Partner

Membership Number: 209589

Place: Bangalore
Date: 29.05.2015

BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in Rupees)

Particulars	Note No	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Share Holders' Fund			
Share Capital	2.01	35,583,320	35,583,320
Reserves and Surplus	2.02	27,042,358	27,830,440
		62,625,678	63,413,760
Non-Current Liabilities			
Deferred tax liabilities (net)	2.03	627,261	758,578
Current Liabilities			
Trade Payables	2.04	13,785,717	20,266,430
Other Current Liabilities	2.05	1,858,786	1,847,377
Short-Term Provisions	2.06	82,950	83,484
		15,727,453	22,197,291
TOTAL		78,980,392	86,369,629
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	2.07	18,310,824	19,965,220
Intangible Assets	2.07	48,555	999,058
		18,359,379	20,964,278
Non Current Investments	2.08	204,650	204,650
Long Term Loans and Advances	2.09	21,323,556	21,679,571
Other Non Current Assets	2.10	25,600,000	10,000,000
		65,487,585	52,848,499
Current Assets			
Current Investments	2.11	2,500,000	-
Trade Receivables	2.12	2,867,642	1,186,855
Cash and Cash equivalents	2.13	3,771,845	21,404,433
Short Term Loans and Advances	2.14	4,233,289	10,677,860
Other Current Assets	2.15	120,031	251,982
		13,492,807	33,521,130
TOTAL		78,980,392	86,369,629

Significant accounting policies and notes to financial statements 1 & 2
The notes referred to above form an integral part of the financial statements.

As per our report of even date
For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No: 107783W

For and on behalf
of the Board

Sd/
Sudhir Prabhu K
Partner
Membership No: 209589
Place : Bangalore
Date : 29.05.2015

Sd/
T Mohandas Pai
Chairman
DIN: 00104336
Place : Manipal
Date : 29.05.2015

Sd/
T Satish U Pai
Director
DIN:00104361

Sd/
D Sreepathi
Whole-Time-Director
DIN: 00958235

Sd/
G S Shridhar
Whole-Time-Director
DIN: 00106780

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rupees).

Particulars	Note No.	2014-15	2013-14
INCOME			
Revenue from Operations	2.16	20,366,057	17,069,382
Other Operating Revenue	2.17	3,328,963	2,931,821
Other Income	2.18	480,601	653,762
Total Income		24,175,621	20,654,965
EXPENSES			
Employees Benefits Expense	2.19	8,541,522	7,415,968
Other Expenses	2.20	13,492,911	12,482,184
Total Expenses		22,034,433	19,898,152
Earnings before interest, tax, depreciation and amortization [EBITDA]		2,141,188	756,813
Finance Costs	2.21	152,979	368,823
Depreciation and amortization expense	2.07	2,907,608	2,969,983
Profit/(Loss) before tax		(919,399)	(2,581,993)
Tax Expenses			
Current Income Tax		-	-
Deffered Tax Reversal		(131,317)	(796,106)
Mat Credit Reversal		-	587,897
Profit/(Loss) for the year		(788,082)	(2,373,784)
Earnings per equity share of face value of Rs. 10/- each Basic and Diluted (in Rupees)	2.22	(0.22)	(0.67)

Significant accounting policies and notes to financial statements

1&2

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

As per our report of even date

For Pathak H.D. & Associates

For and on behalf of the Board

Chartered Accountants
Firm Registration No: 107783W

Sd/
Sudhir Prabhu K
Partner
Membership No: 209589
Place : Bangalore
Date : 29.05.2015

Sd/
T Mohandas Pai
Chairman
DIN: 00104336
Place : Manipal
Date : 29.05.2015

Sd/
T Satish U Pai
Director
DIN:00104361

Sd/
D Sreepathi
Whole-Time-Director
DIN: 00958235

Sd/
G S Shridhar
Whole-Time-Director
DIN: 00106780

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rupees.)

	2014-15	2013-14
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(919,399)	(2,581,993)
Adjustments for :		
Depreciation	2,907,608	2,969,983
Loss on assets scrapped	-	535,914
Excess Provision written back	(225,000)	-
Interest Expenses	109,364	302,675
Interest Income	(2,579,144)	(2,212,783)
Dividend Income	(21,720)	(22,000)
Operating profit/(loss) before working capital changes	(728,291)	(1,008,204)
Adjustments for :		
Decrease /(Increase) in Trade Receivable	(1,680,787)	(583,520)
Decrease /(Increase) in Short term Loans & Advances	6,444,571	(2,950,937)
Decrease /(Increase) in Long term Loans & Advances	441,717	3,628,373
Decrease /(Increase) in Other Current asset	(120,031)	-
Increase /(Decrease) in Trade and other Payables	(6,056,813)	14,086,399
Cash from / (used in) operating activities before tax	(1,699,634)	13,172,111
Income Tax (Paid)/Refund (net)	(85,702)	(251,113)
Net cash from / (used in) operating activities	(1,785,336)	12,920,998
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(302,709)	(714,758)
Current Investments	(2,500,000)	-
Decrease / (Increase) in Deposit	2,640,531	(4,499,999)
Dividend Received	21,720	22,000
Interest Received	2,831,126	2,000,109
Net cash from (used in) investing activities	2,690,668	(3,192,648)

Contd....

	2014-15	2013-14
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Short Borrowings	-	(7,718,242)
Interest paid	(109,364)	(302,675)
Net cash from (used in) financing activities	(109,364)	(8,020,917)
Net increase/Decrease in cash and cash equivalents	795,968	1,707,433
Add: Cash and Cash Equivalent as at beginning of the year	2,414,035	706,602
Cash and Cash Equivalent as at end of the year	3,210,003	2,414,035

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 regrouped/ reclassified wherever necessary.

As per our report of even date

For Pathak H.D. & Associates

Chartered Accountants
Firm Registration No: 107783W

Sd/
Sudhir Prabhu K
Partner
Membership No: 209589
Place : Bangalore
Date : 29.05.2015

Sd/
T Mohandas Pai
Chairman
DIN: 00104336
Place : Manipal
Date : 29.05.2015

Sd/
T Satish U Pai
Director
DIN:00104361

Sd/
D Sreepathi
Whole-Time-Director
DIN: 00958235

Sd/
G S Shridhar
Whole-Time-Director
DIN: 00106780

For and on behalf of the Board

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

COMPANY OVERVIEW

ICDS Securities Limited is an Securities Broking Company incorporated in the year 1995 having its registered office at Syndicate House, Manipal. The Company is a corporate member of National Stock Exchange of India Limited, The Bombay Stock Exchange Limited and the MCX Stock Exchange.

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 and 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 results and estimates are recognised in the period in which the results are known / materialised.

1.03 Fixed assets and capital work-in-progress

Fixed assets are stated at cost of acquisition less depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized including financing costs relating to borrowed funds attributable to them.

1.04 Depreciation / Amortization

Depreciation is provided on straight line method at the rates and in the manner specified in the Schedule II to the Companies Act, 2013. Software is amortised over a period of three years. Depreciation for assets purchased / sold during the year is proportionately charged. Fixed Asset individually costing less than Rs.5,000/- are depreciated @ 100% in the year of acquisition.

1.05 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.

1.06 Investments

- I. Non Current Investments are stated at cost. Provision for diminution in value of long term investments is made only if such a decline is other than temporary in the opinion of the management.
- II. Current Investments are stated at cost or market value whichever is lower.

1.07 Inventories

Inventory/ Stock in trade is valued at cost or market price whichever is lower.

1.08 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 expenses in the period in which they are incurred.

1.09 Employee benefits

- i. The Company's Defined contribution Plan to provident fund are made at pre-determined rates to the recognised Provident Fund and are charged to statement of profit and loss.
- ii. Liability for Defined Benefit Plan for Gratuity is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by Life Insurance Corporation of India (LIC) and is funded with LIC. The Company provides for gratuity under the Project Unit Credit Method as per the actuarial valuation report.
- iii. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognised in the statement of profit and loss in the year in which they arise.
- iv. Short term benefit plans for leave encashment is provided on actual basis.

1.10 Revenue recognition

- I. Brokerage (net of service tax) from stock broking is accounted on confirmation of trades up to the last trading date of the year.
- II. Revenue from services and other income are recognised on accrual basis.

1.11 Taxes on Income

Tax expense comprise both Current tax and Deferred tax at the applicable enacted or substantively enacted rates. Provision is made for income tax based on the tax liability computed, after considering tax allowances and deduction. Provisions are recorded when it is estimated that a liability due to disallowances or other matters are probable. MAT paid in accordance with Tax Laws, which gives rise to future economic benefits in the form of tax credits against future income tax liability, is recognised as an asset in the balance sheet if there is convincing evidence that Company will pay normal tax in future period and the resultant asset can be measured reliably. The Company offsets on a year-on-year basis, the current tax assets and liabilities, where it has legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

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 in respect of unabsorbed depreciation and carry forward of losses are recognised only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

1.12 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.

1.13 Leases

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of leased items, are classified as operating lease. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Finance lease, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased items, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

1.14 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

2 NOTES TO ACCOUNTS

2.01 SHARE CAPITAL

(Amount in Rupees)

Particulars	March 31, 2015	March 31, 2014
Authorised Capital		
Equity Shares at par value Rs 10/- each.		
1,00,00,000 [March 31, 2014 : 1,00,00,000] Shares.	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid-Up Capital		
Equity Shares at par value Rs 10/- each.		
35,58,332 [March 31, 2014 : 35,58,332] Equity Shares fully paid up	35,583,320	35,583,320
Total	35,583,320	35,583,320

Rights, preferences and restrictions attached to shares:

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has one class of share referred to as equity shares having par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

Restrictions on the distribution of dividends:

The Company declares and pays dividend in the event of profits. The dividend is proposed by board of directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Name of the Share Holder	March 31, 2015		March 31, 2014	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Manipal Education and Medical Group India Pvt Ltd	1,774,950	49.88%	-	-
ICDS Limited	-	-	1,423,350	40.00%
SHK Ebene Limited, Mauritius	533,500	14.99%	533,500	14.99%
Reconciliation of the number of equity shares outstanding and amount of share capital:				
Particulars	March 31, 2015		March 31, 2014	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Number of shares at the beginning	3,558,332	35,583,320	3,558,332	35,583,320
Add: Share issued during the year	-	-	-	-
Number of shares at the end	3,558,332	35,583,320	3,558,332	35,583,320

2.02 RESERVES & SURPLUS

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Securities Premium		
Opening balance	21,579,910	21,579,910
Add: Additions during the year	-	-
Closing balance	21,579,910	21,579,910
Capital Reserve		
Opening balance	114,030	114,030
Add: Additions during the year	-	-
Closing balance	114,030	114,030
General Reserve		
Opening balance	10,042,529	10,042,529
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	10,042,529	10,042,529
Surplus / (Deficit) in statement of profit and loss		
Opening Balance	(3,906,029)	(1,532,245)
Add: Profit / (Loss) for the year	(788,082)	(2,373,784)
Closing Balance	(4,694,111)	(3,906,029)
Total	27,042,358	27,830,440

2.03 DEFERRED TAX LIABILITY

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Deferred tax assets		
Disallowances under section 43B of IT Act, 1961	-	188,323
Unabsorbed depreciation	3,299,115	3,397,712
(a)	3,299,115	3,586,035
Deferred tax liabilities		
Excess of Depreciation claimed under IT Act, 1961	3,874,195	4,281,895
Provision for Gratuity	52,181	62,718
(b)	3,926,376	4,344,613
Total	(b-a)	758,578

Note: The Company has not recognised deferred tax assets amounting to Rs. 20,36,430 (March 31, 2014 : 2,164,075) in respect of unabsorbed business loss in view of prudence.

2.04 TRADE PAYABLES

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Due to Micro and Small Scale Enterprises*	-	-
Due to Other than Micro and Small Scale Enterprises		
- stock exchanges	-	158,012
- others	13,785,717	20,108,418
Total	13,785,717	20,266,430

*- 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.

2.05 OTHER CURRENT LIABILITIES

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Unclaimed dividend*	561,842	749,867
Others		
Payable to employees	829,518	543,175
Statutory dues	160,946	158,351
Other payables	306,480	395,984
Total	1,858,786	1,847,377

* - There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

2.06 SHORT TERM PROVISIONS

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Provision for Leave encashment	82,950	83,484
Total	82,950	83,484

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

2.07 Fixed Assets

Particulars	Gross Block						Depreciation			Amount in Rupees											
	April 01, 2014		Additions		Deletions		March 31, 2015		April 01, 2014		For the year		Deletion		Mar 31, 2015		Mar 31, 2015		Mar 31, 2014		
Tangible Assets																					
Building	16,741,570	-	-	-	16,741,570	-	-	-	3,563,695	265,019	-	-	3,828,714	12,912,856	13,177,875						
Furniture & Fixture	184,062	-	-	-	184,062	-	-	-	129,244	32,589	-	-	161,833	22,229	54,818						
Vehicles	1,721,737	-	-	-	1,721,737	-	-	-	364,581	163,565	-	-	528,146	1,193,591	1,357,156						
Office Equipment	110,345	-	-	40,022	70,323	-	40,022	-	93,052	9,724	40,022	-	62,754	7,569	17,293						
Computers & Peripherals	8,801,768	259,840	1,009,204	8,052,404	8,052,404	-	-	-	3,586,851	1,425,897	1,009,204	-	4,003,544	4,048,860	5,214,917						
Electrical Equipment	218,122	42,869	-	260,991	260,991	-	-	-	74,961	60,311	-	-	135,272	125,719	143,161						
Sub Total (a)	27,777,604	302,709	1,049,226	27,031,087	27,031,087	1,049,226	1,049,226	1,957,105	7,812,384	1,957,105	1,049,226	8,720,263	18,310,824	19,965,220							
Intangible Assets																					
Software & Licenses	3,792,623	-	2,392,000	1,400,623	1,400,623	-	2,392,000	-	2,793,565	950,503	2,392,000	1,352,068	48,555	999,058							
Sub Total (b)	3,792,623	-	2,392,000	1,400,623	1,400,623	-	2,392,000	950,503	2,793,565	950,503	2,392,000	1,352,068	48,555	999,058							
Total (a+b)	31,570,227	302,709	3,441,226	28,431,710	28,431,710	3,441,226	3,441,226	2,907,608	10,605,949	2,907,608	3,441,226	10,072,331	18,359,379	20,964,278							
March 31, 2014																					
Tangible Assets	29,428,709	646,706	2,297,811	27,777,604	27,777,604	2,297,811	2,297,811	1,923,032	7,651,250	1,923,032	1,761,898	7,812,384	19,965,220								
Intangible Assets	3,724,571	68,052	-	3,792,623	3,792,623	-	-	1,046,951	1,746,614	1,046,951	-	2,793,565	999,058								
Total	33,153,280	714,758	2,297,811	31,570,227	31,570,227	2,297,811	2,297,811	2,969,983	9,397,864	2,969,983	1,761,898	10,605,949	20,964,278								

Note:

1 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 amortization expenses for the period ended March 31, 2015 by Rs.47,659. Further, 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. 75,048 is also fully depreciated during the year.

2.08 NON CURRENT INVESTMENTS

Amount in Rupees

Particulars	March 31,2015	March 31,2014
Non-Trade, Unquoted, at cost		
Other than associates and subsidiary		
- Computek Software Limited [30,000 [Mar 31, 2014: 30,000] Fully Paid Equity Shares of Rs.10/- each]	300,000	300,000
- Bangalore Stock Exchange Limited [4,650 [Mar 31, 2014: 4,650] Fully paid Equity Share of Rs.1/- each]	4,650	4,650
Trade, Unquoted, at cost		
- BgSE Financials Limited [20,000 [Mar 31,2014 : 20,000] Fully Paid Shares of Rs.10/- each]	200,000	200,000
Sub Total	504,650	504,650
Less: Provision for diminution in value of investments		
- Computek Software Limited	300,000	300,000
Total	204,650	204,650
Note : Aggregate amount of unquoted investments	204,650	204,650

2.09 LONG TERM LOANS AND ADVANCES

Amount in Rupees

Particulars	March31,2015	March31,2014
(Unsecured, considered good)		
Deposit & Margin with Stock Exchange	15,950,000	16,250,000
Broker Contingency fund with Stock Exchange	250,000	250,000
Prepaid expenses	-	107,616
Advance Income Tax and Tax deducted at Source	4,954,685	4,868,983
LIC Group Gratuity Fund (net)	168,871	202,972
Total	21,323,556	21,679,571

2.10 OTHER NON CURRENT ASSETS

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Margin Money Deposit against Bank Guarantee & Over Draft	25,600,000	10,000,000
Total	25,600,000	10,000,000

2.11 CURRENT INVESTMENTS

Amount in Rupees

Particulars	March 31,2015	March 31, 2014
Non trade, Unquoted		
Investments in mutual funds		
Mirae Asset Cash Management Fund-Growth (702.45 Units (March 31, 2014 : Nil Units) @ NAV of Rs.1,483.82 per unit)	1,000,000	-
Indiabulls Liquid Fund –Growth (1139.41 Units (March 31, 2014 : Nil Units) @ NAV of Rs.1,361.42 per unit)	1,500,000	-
Total	2,500,000	-
Aggregate market value	2,593,525	-

Note: The current investments are valued at cost or market value whichever is lower.

2.12 TRADE RECEIVABLES

Amount in Rupees

Particulars	March31,2015	March31,2014
Unsecured, considered good		
- outstanding for a period more than six months	1,022	1,036
- others	2,866,620	1,185,819
Total	2,867,642	1,186,855

2.13 CASH AND BANK BALANCES

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Cash and cash equivalents		
Balances with banks in current accounts	3,192,565	2,400,227
Cash on hand	17,438	13,808
	3,210,003	2,414,035
Other bank balances		
Unclaimed dividend in earmarked bank accounts	561,842	749,867
Fixed Deposits	-	18,240,531
	561,842	18,990,398
Total	3,771,845	21,404,433

2.14 SHORT TERM LOANS AND ADVANCES

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Prepaid Expense	218,233	394,459
Due from Stock Exchanges	3,938,889	10,193,099
Sundry Deposits	71,987	71,987
Other loans and advances recoverable	4,180	18,315
Total	4,233,289	10,677,860

2.15 OTHER CURRENT ASSETS

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Interest accrued on deposits	-	251,982
Amount recoverable from stock exchange	120,031	-
Total	120,031	251,982

2.16 REVENUE FROM OPERATIONS

Amount in Rupees

Particulars	2014-15	2013-14
Brokerage income from		
- Stock broking	12,222,392	7,632,774
- Mutual fund and others	812,854	1,585,590
Service Charges received	7,330,811	7,851,018
Total	20,366,057	17,069,382

2.17 OTHER OPERATING REVENUE

Amount in Rupees

Particulars	2014-15	2013-14
Profit on Trading in Securities	960,480	910,677
Interest Received from Fixed Deposit	2,346,763	1,981,736
Dividend from long term investments	21,720	22,000
Miscellaneous Income	-	17,408
Total	3,328,963	2,931,821

2.18 OTHER INCOME

Amount in Rupees

Particulars	2014-15	2013-14
Interest Received from Fixed Deposit	68,211	231,047
Interest on Income Tax refund	164,170	-
Other Interest	-	29,860
Bad Debts recovered	-	6,523
Excess provision written back	225,000	-
Miscellaneous Income	21,641	386,332
Profit on fluctuation of foreign currency	1,579	-
Total	480,601	653,762

2.19 EMPLOYEE BENEFITS EXPENSE

Amount in Rupees

Particulars	2014-15	2013-14
Salaries and allowances	7,054,647	6,419,688
Contribution to Provident and Other Funds [Refer note no.2.25]	447,262	389,153
Gratuity	380,898	26,839
Leave Encashment	335,301	331,742
Staff Welfare Expenses	323,414	248,546
Total	8,541,522	7,415,968

2.20 OTHER EXPENSES

Amount in Rupees

Particulars	2014-15	2013-14
Stock Exchange charges	1,668,170	1,582,934
Transaction Charges (net)	424,550	267,358
Demat Charges	371,789	298,737
Rent	423,600	447,600
Rates and Taxes	194,017	157,606
Professional and Consultancy Charges	3,053,546	1,799,057
Software Maintenance Charges	4,047,880	4,189,386
Directors' Sitting Fees	24,000	30,000
Travelling and Conveyance	261,198	185,859

Printing and Stationery	212,437	137,670
Communication Expenses	910,422	678,084
Insurance	113,004	58,310
Electricity and Water Charges	392,812	359,310
<i>Auditors' Remuneration:</i>		
Audit Fees	143,000	143,000
Tax Audit Fees	27,000	27,000
Office Maintenance	365,523	452,630
Repairs and Maintenance - others	345,292	498,599
Business Promotion	138,039	253,776
Loss on fluctuation of foreign currency (net)	-	9,618
Loss on Assets Scrapped	-	535,914
Sundry balances written off	2,973	403
Other Bank Charges including Bank Guarantee Commission	373,659	369,333
Total	13,492,911	12,482,184

2.21 FINANCE COSTS

Amount in Rupees

Particulars	2014-15	2013-14
Interest on overdraft facility from bank	108,219	302,675
Other Interest	1,145	-
Bank Charges	43,615	66,148
Total	152,979	368,823

2.22 CALCULATION OF EARNING PER SHARE

Sl.	Particulars	2014-15	2013-14
a.	Net Profit available for equity share holders (In Rupees)	(788,082)	(2,373,784)
b.	Weighted Average No. of Equity Shares (Nos.)	3,558,332	3,558,332
c.	Basic / Diluted EPS of Rs.10/- each (Annualized) (in Rupees)	(0.22)	(0.67)

2.23 CONTINGENT LIABILITIES AND COMMITMENTS

Amount in Rupees

Particulars	March 31, 2015	March 31, 2014
Outstanding Bank Guarantees [Refer Note no (a) given below]	27,800,000	22,800,000

Note: The Company has given Bank guarantees to National Stock Exchange, Bombay Stock Exchange and the Clearing Member Axis Bank Ltd in respect of regular operation which are issued against 25% of deposit margin and collateral security of land and building.

2.24 SEGMENT REPORTING

The following geographic segments individually contribute 10 percent or more of the Group's revenue or segment assets:

GEOGRAPHIC SEGMENTS

Amount in Rupees

Particulars	2014-15			2013-14		
	Mauritius	India	Total	Mauritius	India	Total
Segment Revenue						
External Turnover	7,330,811	16,364,209	23,695,020	7,851,018	12,150,185	20,001,203
Intersegment Turnover	-	-	-	-	-	-
Net turnover	7,330,811	16,364,209	23,695,020	7,851,018	12,150,185	20,001,203
Segment Results	(1,250,983)	589,478	(661,505)	(486,722)	(1,040,676)	(1,527,398)
Unallocable Expenses			(585,516)			(1,339,534)
Interest Expenses			(152,979)			(368,823)
Interest Income			232,381			260,907
Other Income			248,220			392,855
Loss before tax			(919,399)			(2,581,993)
Less : Tax			(131,317)			(208,209)
Loss after tax			(788,082)			(2,373,784)
Other Information						
Segment Assets	3,806,828	70,218,879	74,025,707	5,933,051	75,567,595	81,500,646
Segment Liabilities	-	15,165,611	15,165,611	-	21,447,424	21,447,424
Capital Expenditure	-	302,709	302,709	632,988	81,770	714,758
Depreciation & amortization	2,126,223	781,385	2,907,608	2,197,890	772,093	2,969,983
Other non-cash expenses			2,973			536,317

Note: The Company has identified geographical segment as its primary segment and applied reportable segment as per AS 17 - "Segment Reporting".

2.25 EMPLOYEE BENEFITS:

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

Brief description of the Plans:

- The Company has long-term benefit schemes for provident fund and gratuity fund and short term benefit plans for leave encashment. 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) and the Company has no further obligation beyond making the contributions. The Company's defined benefit plan is gratuity and leave encashment.
- Charge to the statement of profit and loss based on contributions: The Company's contribution to Provident Fund charged statement of profit and loss during the year is Rs. 348,698 (March 31, 2014 : Rs. 290,580).
- The Company has charged off Rs. 335,301 (March 31, 2014 : Rs. 331,742) for short term benefit on Leave encashment on actual basis to statement of profit and loss during the year.
- The Company's liability towards Gratuity to employees is covered by a group policy with LIC of India and contributions made are charged to statement of profit and loss.
- Disclosures for defined gratuity benefit plan (Funded) based on statement given by LIC of India, Pension and Group Schemes Department as on March 31, 2015.

Amount in Rupees

Particulars	2014-15	2013-14
Change in Defined Benefit Obligation		
Opening defined benefit obligation	1,276,257	1,164,706
Interest cost	102,101	93,176
Current service cost	101,444	102,168
Benefits Paid	-	(41,538)
Actuarial loss / (gain)	316,330	(42,255)
Closing defined benefit obligation	1,796,132	1,276,257
Change in Fair Value of Assets		
Opening fair value of plan assets	1,479,229	1,391,690
Expected return on plan assets	138,977	126,250
Contributions by employer	346,797	2,827
Benefits paid	-	(41,538)
Closing fair value of plan assets	1,965,003	1,479,229
Amount recognised in the Balance Sheet		
Present value of obligations as at year end	1,796,132	1,276,257
Fair value of plan assets as at year end	1,965,003	1,479,229
Net (asset) / liability recognised as at year end	(168,871)	(202,972)
Expenses recognised in the Statement of profit and loss		
Current service cost	101,444	102,168
Interest on defined benefit obligation	102,101	93,176
Expected return on plan assets	(138,977)	(126,250)
Net actuarial loss / (gain) recognised in the current year	316,330	(42,255)
Total expense	380,898	26,839
Actual Return on Planned Assets	138,977	126,250

Particulars	2014-15	2013-14
Principal actuarial assumptions used		
Discount rate (p.a.)	8.00%	8.00%
Rate of increase in compensation levels (p.a.)	7.00%	7.00%
Mortality Table	LIC(1994-96)	LIC(1994-96)
Retirement Age	58Years	58Years
Experience adjustments		
Defined benefit obligation	1,796,132	1,276,257
Plan assets	1,965,003	1,479,229
Deficit / (Surplus)	(168,871)	(202,972)
Experience adjustments on plan liabilities	316,330	(42,255)
Experience adjustments on plan assets	-	-

Data for defined Gratuity benefit obligation and fair value of planned assets are as under :

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Present value of defined benefit obligations at the end of the year	1,796,132	1,276,257	1,164,706	1,072,700	989,040
Fair value of plan assets at the end of the year	1,965,003	1,479,229	1,391,690	1,293,897	1,211,223
Net (assets) / liability at the end of year	(168,871)	(202,972)	(226,984)	(221,197)	(222,183)
Experience adjustment on plan liabilities	316,330	(42,255)	(76,222)	(109,510)	108,606
Experience adjustment on plan assets	-	-	-	-	-

2.26 DISCLOSURE AS PER ACCOUNTING STANDARD -18 ARE AS FOLLOWS:

Name of the Party (as identified by the Management) :

Associate Companies	ICDS Limited upto 09.03.2015
	Manipal Education and Medical Group India Private Limited w.e.f. 09.03.2015
Key Management Personnel	Sri. D Sreepathi - Whole-time Director
	Sri. G S Shridhar -Whole-time Director

DETAILS OF THE TRANSACTIONS *: Amount in Rupees

Sl. No	Particulars	2014-15	2013-14
a.	Equity Shares held by		
	ICDS Limited	-	14,233,500
	Manipal Education and Medical Group India Private Limited	17,749,500	-
b.	Brokerage and other charges received from		
	ICDS Limited	-	74,280
	Sri. D Sreepathi	33,282	37,777
	Sri. G S Shridhar	1,233	568
c.	Remuneration to Key Management Personnel		
	Sri. D Sreepathi	1,336,900	1,150,300
	Sri. G S Shridhar	1,263,750	1,005,624
d.	Balances due to Key Management Personnel		
	Sri. D Sreepathi	-	192,373
	Sri. G S Shridhar	-	-

* - Transactions in the nature of reimbursement of expenses incurred by one company on behalf of the other have not been considered above.

2.27 OPERATING LEASE

The Company has entered into certain cancellable operating lease agreements mainly for office premises. The details of lease rentals debited to statement of profit and loss are as follows:

Particulars	2014-15	2013-14
Lease rentals under cancellable lease	423,600	447,600

2.28 OTHER DISCLOSURES

a. Earnings in foreign currency

Particulars	2014-15	2013-14
Service charges received	7,330,811	7,851,018

b. Unhedged foreign currency exposure as on balance sheet date is Rs. Nil (March 31, 2014: Rs. Nil).

2.29 In the opinion of the management, loans and advances, current and non current assets are good and recoverable and no provision is considered necessary.

2.30 The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our report of even date.

For Pathak H.D. & Associates

For and on behalf of the Board

Chartered Accountants
Firm Registration No: 107783W

Sd/
Sudhir Prabhu K

Partner

Membership No: 209589

Place : Bangalore

Date : 29.05.2015

Sd/
T Mohandas Pai

Chairman

DIN: 00104336

Place : Manipal

Date : 29.05.2015

Sd/
T Satish U Pai

Director

DIN:00104361

Sd/
D Sreepathi

Whole-Time-Director

DIN: 00958235

Sd/
G S Shridhar

Whole-Time-Director

DIN: 00106780

NOTES :

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ICDS SECURITIES LIMITED

CIN-U65110KA1995PLC017907
Registered Office: Syndicate House Upendra Nagar, Manipal – 576 104

ATTENDANCE SLIP

Folio No./ DP Id/Client Id	
Name and Address of the Shareholder	
No of Shares held	

(1) I hereby record my presence at TWENTIETH ANNUAL GENERAL MEETING of ICDS Securities Limited being held on Monday 14th September 2015 at 03:30 p.m. at Syndicate House, Upendra Nagar, Manipal 576 104.

(2) Signature of the Shareholder/Proxy Present

(3) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

(4) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

ICDS SECURITIES LIMITED

CIN-U65110KA1995PLC017907
Registered Office: Syndicate House Upendra Nagar, Manipal – 576 104

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/DP Id/Client Id	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him
- Name: _____ Address: _____
E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on Thursday, the 10th Day of September 2015 at 03:30 p.m. at the Registered Office of the Company at Syndicate House, Upendra Nagar Manipal – 576 104 and at any adjournment thereof in respect of the following resolutions:

Resolution No.	Resolution.
Ordinary Business	
1	Appointment of Director in place of Shri Satish U Pai (DIN00104361) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
2	Adoption of Audited Financial Statements, Directors' and Auditors' Report for the year ended 31 st March 2015.
3	Ratify appointment of Messrs Pathak H D & Associates Chartered Accountant as Auditors and fix their remuneration
Special Business	
3.	Appointment of Dr. Ranjan Ramdas Pai as a Director
4.	Appointment of Mr. Rajesh Krishnaswamy Moorti
5.	Change in the Name of The Company from ICDS Securities to MEMG Securities Limited
6.	Alteration to the Memorandum of Association of the Company
7.	Alteration to the Articles of Association of the Company

Signed this _____ day of _____ 2015

Signature of Shareholder: _____

Signature of Proxy Holder (s): _____

NOTE:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at Syndicate House Upendra Nagar Manipal 576 104, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twentieth Annual General Meeting.

Signature with Revenue Stamp of Rs. 1/-

BOOK POST

If undelivered, please return to :

ICDS SECURITIES LIMITED
SYNDICATE HOUSE,
MANIPAL – 576104
www.icdssecurities.com