

SEC/IN/NSE/BSE/02/2021  
10<sup>th</sup> February, 2021

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

The Manager – Listing Compliance  
BSE Ltd  
Regd. Office : Floor 25  
P J Towers, Dalal Street  
MUMBAI – 400 001

STOCK CODE: ICDSLTD

SECURITY CODE: 511194

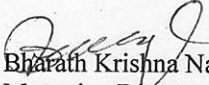
Dear Sir,

Sub : Outcome of Meeting of Board of Directors.

In terms of Provision of Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, this is to inform you that the Board of Directors at its Meeting held today, approved the unaudited financial Statement (Standalone & Consolidated) of the Company for the III Quarter ended 31<sup>st</sup> December, 2020 along with Limited Review Report submitted by the Statutory Auditors.

The Meeting commenced at 3.30 P.M and concluded at 5.15 P.M.

Thanking You,  
Yours faithfully,

  
Bharath Krishna Nayak  
Managing Director  
(DIN 00776729)

Encl: as above.



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

**Independent Auditor's Review Report on Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).**

To  
The Board of Directors  
ICDS Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of ICDS Limited ('the Company') for the three and nine months period ended December 31, 2020 along with 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) Regulations, 2015, as amended ('the Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's board of directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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Pathak H.D. & Associates LLP  
Chartered Accountants

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5. We draw attention to Note No.9 to the Statement, with regard to management's evaluation of impact of COVID-19 on the future performance of the Company.

Our conclusion is not modified in respect of the above matters.

For Pathak H D & Associates LLP

Chartered Accountants

Firm Registration Number: 107783W/W100593



**Sudhir Prabhu K**

Partner

Membership No.: 209589

UDIN : 21209589AAAAAG6191



Place: Bengaluru

Date: February 10, 2021

**ICDS Limited**

Regd. Office: Syndicate House, Manipal 576104 Udipi Dt. Karnataka  
CIN | L65993KA1971PLC002106  
www.icdslimited.com

**Statement of Unaudited Standalone Financial Results for the three months and nine months period ended December 31, 2020**

Rs. in Lakhs

Sl. No.	Particulars	Three Months period ended			Nine Months period ended		Year ended
		Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	22.64	24.16	42.43	61.84	131.14	193.58
2	Other Income [refer note 3 below].	69.27	23.10	9.80	169.66	157.28	164.26
3	<b>Total Revenue (1+2)</b>	<b>91.91</b>	<b>47.26</b>	<b>52.23</b>	<b>231.50</b>	<b>288.42</b>	<b>357.84</b>
4	<b>Expenses</b>						
	Purchase of stock	-	-	-	-	-	-
	Employee benefit expenses	25.26	18.33	20.37	68.49	64.49	84.89
	Finance Costs	1.97	0.98	1.34	4.34	4.27	5.66
	Depreciation and amortisation expenses	8.19	8.19	7.65	24.51	22.94	33.00
	Other expenses	11.66	14.08	25.33	39.04	145.64	277.82
	<b>Total expenses</b>	<b>47.08</b>	<b>41.58</b>	<b>54.69</b>	<b>136.38</b>	<b>237.34</b>	<b>401.37</b>
5	<b>Profit/(loss) before tax (3-4)</b>	<b>44.83</b>	<b>5.68</b>	<b>(2.46)</b>	<b>95.12</b>	<b>51.08</b>	<b>(43.53)</b>
6	<b>Tax expense</b>						
	i. Current tax	-	-	-	12.00	20.00	4.94
	ii. Deferred tax	-	-	-	-	-	1.71
	iii. Income tax for earlier years (refer note no.8)	-	617.96	-	617.96	-	(0.05)
7	<b>Profit / (loss) for the period (5-6)</b>	<b>44.83</b>	<b>(612.28)</b>	<b>(2.46)</b>	<b>(534.84)</b>	<b>31.08</b>	<b>(50.13)</b>
8	<b>Other comprehensive income, net of income tax</b>						
	i. Items that will not be reclassified to profit or loss						
	Remeasurements of net defined benefit plans	-	-	-	-	-	(6.16)
	Income tax effect	-	-	-	-	-	1.71
	ii. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4.45)</b>
9	<b>Total comprehensive income for the period (7+8)</b>	<b>44.83</b>	<b>(612.28)</b>	<b>(2.46)</b>	<b>(534.84)</b>	<b>31.08</b>	<b>(54.58)</b>
10	Paid up 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
11	Other Equity Excluding Revaluation Reserve	-	-	-	-	-	610.39
12	<b>Earnings per share (of Rs 10/ each) (not annualised):</b>						
	(a) Basic (in rupees)	0.34	(4.70)	(0.02)	(4.11)	0.24	(0.38)
	(b) Diluted (in rupees)	0.34	(4.70)	(0.02)	(4.11)	0.24	(0.38)

**Notes:**

- The above Unaudited Standalone Financial results for the three and nine months period ended December 31, 2020 have been reviewed and approved by the Audit Committee and approved by the Board of Directors at their meeting conducted on February 10, 2021.
- The Company carries on its business in four reportable segments viz Financial Services (recovery of loans and advances), trading, rent on premises and others. Others include marketing of the insurance products of life and general insurance companies.  
The segment reporting of the Company has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder. The Company has presented the operating segments information on the basis of Unaudited Consolidated Financial Results.
- Other income includes dividend income, interest income, unwinding interest income on financial assets and Fair value gain/(loss) on financial assets.
- The actuarial gains/losses and disclosure of re-measurement gains (losses) on defined benefit plans are arrived at the year end on actuarial valuation of the obligation by the gratuity fund. The actuarial gains/losses historically have not been material.
- 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 not recognised Deferred Tax Assets arising on provision for doubtful debts (net of deferred tax Liabilities) as a matter of prudence.
- The Company has prepared its accounts on "going concern basis", in view of networth being positive with positive cashflows following the successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plans to foray into new operations and gains out of the stock in trade of investments.



ICDS Limited

Regd. Office: Syndicate House, Manipal 576104 Udipi Dt. Karnataka  
CIN | L65993KA1971PLC002106  
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Statement of Unaudited Standalone Financial Results for the three months and nine months period ended December 31, 2020

Notes:

8 With respect to the Income Tax Demand of Rs. 1,024.04 Lakhs (inclusive of interest) raised by the Income Tax Department on ICDS Limited ('the Company') following the order of Hon'ble High Court of Karnataka disallowing depreciation on leased assets with respect to Block Assessment pertaining to assessment years from 1987-88 to 1997-98, the Supreme Court vide order dated February 12, 2020 has disposed the matter setting aside the orders of the Hon'ble High Court, Income Tax Appellate Tribunal ('ITAT') and Commissioner of Income Tax (Appeals) - I ('CIT-A') and has remanded the matter back to the CIT-A for reconsideration of the matter afresh on its own merits in accordance with law including by examining the additional material / circumstances to be produced by the parties. The Company however has not received any notices from CIT-A as at date. The Company had deposited Rs. 761.71 Lakhs against the said Income Tax demand as on date. The Company had also offered one of its immovable property as security which is free of any encumbrances. The Company was earlier legally advised based on the decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and documentation / material in its possession, that the disallowance of depreciation will be deleted and demand raised on account of block assessments would get vacated accordingly no provision for tax in the books was considered necessary under the regular provisions of Income Tax Act, 1961.

The Ministry of Finance, Government of India has introduced the Direct Tax Vivad Se Vishwas Act, 2020 ('DTVSV' or 'the Act') to help tax payers end their tax disputes with the Income Tax Department by paying disputed tax and get waiver from payment of interest and penalty and also immunity from prosecution. As per the Act, the tax payers are required to remit of the disputed taxes by December 31, 2020. The Company has obtained opinion in this matter from tax consultants. The Company is also confident that in case it opts for the settlement under the scheme, there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than tax liability under DTVSV Scheme. The Company based on advises by the legal experts considered a detailed analysis of the cost and benefits of opting to the scheme under the Act. Considering the cost and benefit analysis and long time lines involved in closure of the cases, the Company has filed an online application under DTVSV Scheme to settle matter during December 2020. The management is confident that the company's application under DTVSV Scheme will be considered favourably by the tax authorities and would be entitled to refund of excess taxes over and above the liability under DTVSV scheme. In view of the said decision of the management to opt for DTVSV Scheme, the Company has made provision for income tax for earlier years to the extent of Rs.617.96 Lakhs which is the estimated taxes payable as per DTVSV scheme.

9 The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activities in the country. The Company, however, believes strongly that there will not be any significant impact on its revenues.

The impact on future revenue streams could come from lower rental incomes on account of waivers / concessions in rent sought by the tenants and cancellation of lease agreement which is the major source of income for the Company. The Company's rental income subsequent to the quarter are back to the pre-existing levels and are expected to grow further post the pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.


The Company during the previous year, had analysed its liquidity position and the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, right of use assets, investments, advances, trade receivables, Deferred taxes, other financial and non-financial assets etc. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID 19 pandemic which may be different from that estimated as at the date of approval of these unaudited standalone financial results.

Due to the nature of the pandemic and non-availability of necessary vaccine / treatment for its eradication, the Company will continue to be vigilant on various developments / impacts in the future so as to insulate itself from any material adverse impact.

10 The investors can view the unaudited standalone results of ICDS Limited available on the Stock Exchange websites [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) and company's website [www.icdslimited.com](http://www.icdslimited.com).

11 Figures pertaining to previous period(s) / year have been regrouped and rearranged, wherever necessary to conform to the classification adopted in the current quarter.

For and on behalf of the board of  
ICDS Limited

  
T Mohandas Pai  
Chairman  
DIN: 00104336

  
Bharathi Krishna Nayak  
Managing Director  
DIN: 00776729

Place : Manipal  
Date : February 10, 2021



**Extract of Unaudited Standalone Financial Results for the three months and nine months period ended December 31, 2020**

Sl. No.	Particulars	Three Months period ended			Nine Months period ended		Rs. in Lakhs
		Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Total Revenue from operations (net)	91.91	47.26	52.23	231.50	288.42	357.84
2	Net Profit/(Loss) for the period (before tax, extra-ordinary items)	44.83	5.68	(2.46)	95.12	51.08	(43.53)
3	Net Profit/(Loss) for the period before tax (after extra-ordinary items)	44.83	5.68	(2.46)	95.12	51.08	(43.53)
4	Net Profit/(Loss) for the period after tax (after extra-ordinary items)	44.83	(612.28)	(2.46)	(534.84)	31.08	(50.13)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	44.83	(612.28)	(2.46)	(534.84)	31.08	(54.58)
6	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
7	Earnings per share (of Rs 10/ each) (for continuing and discontinued operations)						
	Basic ( in rupees)	0.34	(4.70)	(0.02)	(4.11)	0.24	(0.38)
	Diluted (in rupees)	0.34	(4.70)	(0.02)	(4.11)	0.24	(0.38)

**Notes**

- The above is an extract of the detailed format of quarterly standalone 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 Standalone Financial Results are available on the Stock Exchange websites www.bseindia.com, www.nseindia.com and company's website www.icdslimited.com.
- The above Unaudited Standalone Financial results for the three and nine months period ended December 31, 2020 have been reviewed and approved by the Audit Committee and approved by the Board of Directors at their meeting conducted on February 10, 2021.
- The Company carries on its business in four reportable segments viz Financial Services (recovery of loans and advances), trading, rent on premises and others. Others include marketing of the insurance products of life and general insurance companies. The segment reporting of the Company has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder. The Company has presented the operating segments information on the basis of Unaudited Consolidated Financial Results.
- Other income includes dividend income, interest income, unwinding interest income on financial assets and Fair value gain/(loss) on financial assets.
- The actuarial gains/losses and disclosure of re-measurement gains (losses) on defined benefit plans are arrived at the year end on actuarial valuation of the obligation by the gratuity fund. The actuarial gains/losses historically have not been material.
- 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 not recognised Deferred Tax Assets arising on provision for doubtful debts (net of deferred tax liabilities) as a matter of prudence.
- The Company has prepared its accounts on "going concern basis", in view of network being positive with positive cashflows following the successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plans to foray into new operations and gains out of the stock in trade of investments.
- With respect to the Income Tax Demand of Rs. 1,024.04 Lakhs (inclusive of interest) raised by the Income Tax Department on ICDS Limited ('the Company') following the order of Hon'ble High Court of Karnataka disallowing depreciation on leased assets with respect to Block Assessment pertaining to assessment years from 1987-88 to 1997-98, the Supreme Court vide order dated February 12, 2020 has disposed the matter setting aside the orders of the Hon'ble High Court, Income Tax Appellate Tribunal ("ITAT") and Commissioner of Income Tax (Appeals) - I ("CIT-A") and has remanded the matter back to the CIT-A for reconsideration of the matter afresh on its own merits in accordance with law including by examining the additional material / circumstances to be produced by the parties. The Company however has not received any notices from CIT-A as at date. The Company had deposited Rs. 761.71 Lakhs against the said Income Tax demand as on date. The Company had also offered one of its immovable property as security which is free of any encumbrances. The Company was earlier legally advised based on the decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and documentation / material in its possession, that the disallowance of depreciation will be deleted and demand raised on account of block assessments would get vacated accordingly no provision for tax in the books was considered necessary under the regular provisions of Income Tax Act, 1961.
- The Ministry of Finance, Government of India has introduced the Direct Tax Vivasat Scheme, 2020 ('DTVSV' or 'the Act') to help tax payers end their tax disputes with the Income Tax Department by paying disputed tax and get waiver from payment of interest and penalty and also immunity from prosecution. As per the Act, the tax payers are required to remit of the disputed taxes by December 31, 2020. The Company has obtained opinion in this matter from tax consultants. The Company is also confident that in case it opts for the settlement under the scheme, there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than tax liability under DTVSV Scheme. The Company based on advises by the legal experts considered a detailed analysis of the cost and benefits of opting to the scheme under the Act. Considering the cost and benefit analysis and long time lines involved in closure of the cases, the Company has filed an online application under DTVSV Scheme to settle matter during December 2020. The management is confident that the company's application under DTVSV Scheme will be considered favourably by the tax authorities and would be entitled to refund of excess taxes over and above the liability under DTVSV scheme. In view of the said decision of the management to opt for DTVSV Scheme, the Company has made provision for income tax for earlier years to the extent of Rs.617.96 Lakhs which is the estimated taxes payable as per DTVSV scheme.
- The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activities in the country. The Company, however, believes strongly that there will not be any significant impact on its revenues. The impact on future revenue streams could come from lower rental incomes on account of waivers / concessions in rent sought by the tenants and cancellation of lease agreement which is the major source of income for the Company. The Company's rental income subsequent to the quarter are back to the pre-existing levels and are expected to grow further post the pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company during the previous year, had analysed its liquidity position and the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, right of use assets, investments, advances, trade receivables, Deferred taxes, other financial and non-financial assets etc. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID 19 pandemic which may be different from that estimated as at the date of approval of these unaudited standalone financial results. Due to the nature of the pandemic and non-availability of necessary vaccine / treatment for its eradication, the Company will continue to be vigilant on various developments / impacts in the future so as to insulate itself from any material adverse impact.
- Figures pertaining to previous period(s) / year have been regrouped and rearranged, wherever necessary to conform to the classification adopted in the current quarter.

For & on behalf of the Board of Directors

T Mohandas Pai  
 Chairman  
 DIN: 00104336

Place : Manipal  
 Date : February 10, 2021

  
 Manjath Krishna Nayak  
 Managing Director  
 DIN: 00776729



**Independent Auditor's Review Report on Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To  
The Board of Directors  
ICDS Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of ICDS Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the three and nine months period ended December 31, 2020 along with explanatory notes thereon ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of its wholly owned subsidiary company 'Manipal Properties Limited' for the three and nine months period ended December 31, 2020.



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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note No.9 to the Statement, with regard to management's evaluation of impact of COVID-19 on the future performance of the Company.

Our conclusion is not modified in respect of the above matters.

7. We did not review the financial results of the wholly owned subsidiary included in the unaudited consolidated financial results, whose unaudited financial results reflect total revenues of Rs. 29.09 Lakhs, total net profit after tax of Rs. 15.66 Lakhs and total comprehensive income of Rs. 15.66 Lakhs for the nine months period ended December 31, 2020, respectively, as considered in the Statement. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement in respect of this matter is not modified with respect to our reliance on the work done and the reports of the other auditors.

**For Pathak H D & Associates LLP**

Chartered Accountants

Firm Registration Number: 107783W/W100593



Sudhir Prabhu K

Partner

Membership No.: 209589

UDIN : 21209589AAAAAH2422

Place: Bengaluru

Date: February 10, 2021





**ICDS Limited**

Regd. Office: Syndicate House, Manipal 576104 Udipi Dt. Karnataka  
CIN | L65993KA1971PLC002106  
www.icdslimited.com

**Statement of Unaudited Consolidated Financial Results for the three and nine months period ended December 31, 2020**

Sl. No.	Particulars	Rs. In Lakhs					
		Three months period ended			Nine months period ended		
		December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
1	Revenue from operations	26.43	26.29	48.22	76.05	150.20	181.39
2	Other Income (refer note 3 below).	69.43	23.10	7.84	172.30	158.79	167.21
3	<b>Total Revenue (1+2)</b>	<b>95.86</b>	<b>49.39</b>	<b>56.06</b>	<b>248.35</b>	<b>308.99</b>	<b>348.60</b>
4	<b>Expenses</b>						
	Employee benefits expenses	25.26	18.33	20.37	68.49	65.21	85.61
	Finance Costs	2.38	1.38	1.92	5.75	6.00	7.96
	Depreciation and amortisation expenses	8.57	8.58	8.03	25.66	24.09	34.54
	Other expenses	14.33	16.59	27.92	46.68	155.12	291.21
	<b>Total expenses</b>	<b>50.54</b>	<b>44.88</b>	<b>58.24</b>	<b>146.58</b>	<b>250.42</b>	<b>419.32</b>
5	<b>Profit/(loss) before tax (3-4)</b>	<b>45.32</b>	<b>4.51</b>	<b>(2.18)</b>	<b>101.77</b>	<b>58.57</b>	<b>(70.72)</b>
6	<b>Tax expense</b>						
	i. Current tax	0.94	1.04	1.00	15.23	23.25	8.85
	ii. Deferred tax	-	-	-	-	-	1.71
	iii. Income tax for earlier years (refer note no.8)	-	617.96	-	617.96	-	(0.05)
7	<b>Profit / (loss) for the period (5-6)</b>	<b>44.38</b>	<b>(614.49)</b>	<b>(3.18)</b>	<b>(531.42)</b>	<b>35.32</b>	<b>(81.23)</b>
8	<b>Other comprehensive income, net of income tax</b>						
	i. Items that will not be reclassified to profit or loss						
	Remeasurements of net defined benefit plans	-	-	-	-	-	(6.16)
	Income tax effect	-	-	-	-	-	1.71
	ii. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4.45)</b>
9	<b>Total comprehensive income for the period (7+8)</b>	<b>44.38</b>	<b>(614.49)</b>	<b>(3.18)</b>	<b>(531.42)</b>	<b>35.32</b>	<b>(85.68)</b>
	<b>Net Profit / (Loss) attributable to :</b>						
	Equity Holders of the Parent	44.38	(614.49)	(3.18)	(531.42)	35.32	(81.23)
	Non-Controlling Interest	-	-	-	-	-	-
	<b>Other comprehensive income / (loss) attributable to :</b>						
	Equity Holders of the Parent	-	-	-	-	-	(4.45)
	Non-Controlling Interest	-	-	-	-	-	-
	<b>Total Comprehensive income / (loss) attributable to :</b>						
	Equity Holders of the Parent	44.38	(614.49)	(3.18)	(531.42)	35.32	(85.68)
	Non-Controlling Interest	-	-	-	-	-	-
10	Paid up 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
11	Other Equity Excluding Revaluation Reserve	-	-	-	-	-	840.83
12	<b>Earnings per share (of Rs 10/ each) (not annualised):</b>						
	(a) Basic (in rupees)	0.34	(4.72)	(0.02)	(4.08)	0.27	(0.62)
	(b) Diluted (in rupees)	0.34	(4.72)	(0.02)	(4.08)	0.27	(0.62)

**Notes:**

- The above unaudited consolidated financial results for the three and nine months period ended December 31, 2020 have been reviewed and approved by the Audit Committee and approved by the Board of Directors of ICDS Limited at their meeting conducted on February 10, 2021.
- The Group has identified four reportable segments viz Financial Services (recovery of loans and advances), trading, rent on premises and others. Others include marketing of the insurance products of life and general insurance companies. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Accordingly, segment reporting of the Group has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder.
- Other income includes dividend income, interest income, unwinding interest income on financial assets and Fair value gain/(loss) on financial assets.
- The actuarial gains/losses and disclosure of re-measurement gains (losses) on defined benefit plans are arrived at the year end on actuarial valuation of the obligation by the gratuity fund. The actuarial gains/losses historically have not been material.
- The Group does not foresee any diminution in the value of investments 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 not recognised Deferred Tax Assets arising on provision for doubtful debts (net of deferred tax liabilities) as a matter of prudence.

Contd..2



ICDS Limited

Regd. Office: Syndicate House, Manipal 576104 Udipi Dt. Karnataka

CIN | L65993KA1971PLC002106

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Statement of Unaudited Consolidated Financial Results for the three and nine months period ended December 31, 2020

-2-

Notes:

7 The accounts of ICDS Limited ("ICDS" / "the Company") have been prepared its accounts on "going concern basis", in view of networth being positive with postive cashflows following the successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plans to foray into new operations and gains out of the stock in trade of investments.

8 With respect to the Income Tax Demand of Rs. 1,024.04 Lakhs (inclusive of interest) raised by the Income Tax Department on ICDS Limited ('the Company') following the order of Hon'ble High Court of Karnataka disallowing depreciation on leased assets with respect to Block Assessment pertaining to assessment years from 1987-88 to 1997-98, the Supreme Court vide order dated February 12, 2020 has disposed the matter setting aside the orders of the Hon'ble High Court, Income Tax Appellate Tribunal ('ITAT') and Commissioner of Income Tax (Appeals) - I ('CIT-A') and has remanded the matter back to the CIT-A for reconsideration of the matter afresh on its own merits in accordance with law including by examining the additional material / circumstances to be produced by the parties. The Company however has not received any notices from CIT-A as at date. The Company had deposited Rs. 761.71 Lakhs against the said Income Tax demand as on date. The Company had also offered one of its immovable property as security which is free of any encumbrances. The Company was earlier legally advised based on the decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and documentation / material in its possession, that the disallowance of depreciation will be deleted and demand raised on account of block assessments would get vacated accordingly no provision for tax in the books was considered necessary under the regular provisions of Income Tax Act, 1961.

The Ministry of Finance, Government of India has introduced the Direct Tax Vivad Se Vishwas Act, 2020 ('DTVSV' or 'the Act') to help tax payers end their tax disputes with the Income Tax Department by paying disputed tax and get waiver from payment of interest and penalty and also immunity from prosecution. As per the Act, the tax payers are required to remit of the disputed taxes by December 31, 2020. The Company has obtained opinion in this matter from tax consultants. The Company is also confident that in case it opts for the settlement under the scheme, there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than tax liability under DTVSV Scheme. The Company based on advises by the legal experts considered a detailed analysis of the cost and benefits of opting to the scheme under the Act. Considering the cost and benefit analysis and long time lines involved in closure of the cases, the Company has filed an online application under DTVSV Scheme to settle matter during December 2020. The management is confident that the company's application under DTVSV Scheme will be considered favourably by the tax authorities and would be entitled to refund of excess taxes over and above the liability under DTVSV scheme. In view of the said decision of the management to opt for DTVSV Scheme, the Company has made provision for income tax for earlier years to the extent of Rs.617.96 Lakhs which is the estimated taxes payable as per DTVSV scheme.

9 The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activities in the country. The Group, however, believes strongly that there will not be any significant impact on its revenues.

The impact on future revenue streams could come from lower rental incomes on account of waivers / concessions in rent sought by the tenants and cancellation of lease agreement which is the major source of income for the Group. The Group's rental income subsequent to the quarter are back to the pre-existing levels and are expected to grow further post the pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

The Group during the previous year, had analysed its liquidity position and the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, right of use assets, investments, advances, trade receivables. Deferred taxes, other financial and non-financial assets etc. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID 19 pandemic which may be different from that estimated as at the date of approval of these unaudited Consolidated financial results.

Due to the nature of the pandemic and non-availability of necessary vaccine / treatment for its eradication, the Group will continue to be vigilant on various developments / impacts in the future so as to insulate itself from any material adverse impact.

10 The Investors can view the Unaudited Consolidated financial results of ICDS Limited available on the Stock Exchange websites www.bseindia.com, www.nseindia.com and company's website www.icdslimited.com.

11 Figures pertaining to previous period(s) / year have been regrouped and rearranged, wherever necessary to conform to the classification adopted in the current quarter.

For and on behalf of the board of directors  
ICDS Limited



T Mohandas Pai  
Chairman  
DIN: 00104336



Bharath Krishna Nayak  
Managing Director  
DIN: 00776729



Place : Manipal  
Date : February 10, 2021



**ICDS Limited**

Regd. Office: Syndicate House, Manipal 576104 Udupi Dt. Karnataka

CIN | L65993KA1971PLC002106

www.icdslimited.com

**Unaudited Consolidated Segment Information for the three and nine months period ended December 31, 2020**

Rs. in Lakhs

Particulars	Three months period ended			Nine months period ended		Year ended
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
<b>I. Segment Revenue</b>						
a) Financial Services (Recovery activities)	5.01	7.23	12.44	12.24	40.79	83.27
b) Trading activities	0.29	0.12	-	4.31	98.50	102.15
c) Rent on premises	24.40	25.57	37.00	73.24	111.62	144.13
d) Others	1.74	0.72	1.14	2.52	3.20	3.99
<b>Total</b>	<b>31.44</b>	<b>33.64</b>	<b>50.58</b>	<b>92.31</b>	<b>254.11</b>	<b>333.54</b>
Less: Intersegment Revenue	5.01	7.23	6.07	12.24	9.12	50.00
<b>Net Sales/Revenue from Operations</b>	<b>26.43</b>	<b>26.41</b>	<b>44.51</b>	<b>80.07</b>	<b>244.99</b>	<b>283.54</b>
<b>II. Segment Results: (Profit)(+)/ Loss (-) before tax</b>						
a) Financial Services (Recovery activities)	(19.48)	(17.46)	(18.21)	(53.67)	(52.37)	(19.05)
b) Trading activities	62.25	16.62	17.17	151.92	55.31	(31.77)
c) Rent on premises	10.17	13.25	22.61	31.53	66.55	68.12
d) Others	1.53	0.13	0.12	1.50	0.56	0.76
<b>Total</b>	<b>54.47</b>	<b>12.54</b>	<b>21.69</b>	<b>131.28</b>	<b>70.05</b>	<b>18.06</b>
Add/(Less): (i) Other Un allocable Expenditure	(12.62)	(12.73)	(33.29)	(42.20)	(68.90)	(145.07)
(ii) Other Unallocable Income	4.66	4.91	10.04	14.74	59.61	59.16
(iii) Finance Costs	(1.19)	(0.21)	(0.62)	(2.05)	(2.19)	(2.87)
<b>Total Profit/(loss) Before Tax</b>	<b>45.32</b>	<b>4.51</b>	<b>(2.18)</b>	<b>101.77</b>	<b>58.57</b>	<b>(70.72)</b>
Less: Provision for taxation	0.94	619.00	1.00	633.19	23.25	10.51
<b>Total Profit/(loss) After Tax</b>	<b>44.38</b>	<b>(614.49)</b>	<b>(3.18)</b>	<b>(531.42)</b>	<b>35.32</b>	<b>(81.23)</b>
<b>III. Segment assets</b>						
a) Financial Services (Recovery activities)	436.67	439.45	660.10	436.67	660.10	274.35
b) Trading activities	319.18	244.72	250.42	319.18	250.42	158.88
c) Rent on premises	1,156.94	1,165.05	1,168.48	1,156.94	1,168.48	1,382.34
d) Others	0.98	0.98	0.98	0.98	0.98	1.03
e) Unallocable Assets	164.50	153.17	654.46	164.50	654.46	783.63
<b>Total</b>	<b>2,078.27</b>	<b>2,003.37</b>	<b>2,734.44</b>	<b>2,078.27</b>	<b>2,734.44</b>	<b>2,600.23</b>
<b>IV. Segment Liabilities</b>						
a) Financial Services (Recovery activities)	39.79	17.13	47.07	39.79	47.07	36.58
b) Trading activities	-	-	-	-	-	-
c) Rent on premises	78.17	78.65	83.00	78.17	83.00	80.27
d) Others	-	-	-	-	-	-
e) Unallocable Liabilities	-	-	-	-	-	-
<b>Total</b>	<b>117.96</b>	<b>95.78</b>	<b>130.07</b>	<b>117.96</b>	<b>130.07</b>	<b>116.85</b>

**Notes:**

a) Figures pertaining to previous period(s)/year have been regrouped and rearranged, wherever necessary to conform to the classification adopted in the current quarter.

For and on behalf of the board of directors  
ICDS Limited

T Mohandas Pal  
Chairman  
DIN: 00104336

Place : Manipal  
Date : February 10, 2021

Bharath Krishna Nayak  
Managing Director  
DIN: 00776729




ICDS Limited							
Regd. Office: Syndicate House, Manipal 576104 Udipi Dt. Karnataka							
CIN   L65993KA1971PLC002106							
www.icdslimited.com							
Extract of Unaudited Consolidated Financial Results for the three and nine months period ended December 31, 2020							
Sl. No.	Particulars	Three months period ended			Nine months period ended		Rs. in Lakhs
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Total Revenue from operations (net)	95.86	49.39	56.06	248.35	308.99	348.60
2	Net Profit/(Loss) for the period (before tax, extra-ordinary items)	45.32	4.51	(2.18)	101.77	58.57	(70.72)
3	Net Profit/(Loss) for the period before tax (after extra-ordinary items)	45.32	4.51	(2.18)	101.77	58.57	(70.72)
4	Net Profit/(Loss) for the period after tax (after extra-ordinary items)	44.38	(614.49)	(3.18)	(531.42)	35.32	(81.23)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	44.38	(614.49)	(3.18)	(531.42)	35.32	(85.68)
6	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
7	Earnings per share (of Rs 10/ each) (for continuing and discontinued operations)						
	Basic ( in rupees)	0.34	(4.72)	(0.02)	(4.08)	0.27	(0.62)
	Diluted (in rupees)	0.34	(4.72)	(0.02)	(4.08)	0.27	(0.62)

Notes

- The above is an extract of the detailed format of unaudited consolidated 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 Consolidated Financial Results are available on the Stock Exchange websites www.bseindia.com, www.nseindia.com and company's website www.icdslimited.com.
- The above unaudited consolidated financial results for the three and nine months period ended December 31, 2020 have been reviewed and approved by the Audit Committee and approved by the Board of Directors of ICDS Limited at their meeting conducted on February 10, 2021.
- The Group has identified four reportable segments viz Financial Services (recovery of loans and advances), trading, rent on premises and others. Others include marketing of the insurance products of life and general insurance companies. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. Accordingly, segment reporting of the Group has been prepared in accordance with Ind AS 108 'Operating Segments' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder.
- Other income includes dividend income, interest income, unwinding interest income on financial assets and Fair value gain/(loss) on financial assets.
- The actuarial gains/losses and disclosure of re-measurement gains (losses) on defined benefit plans are arrived at the year end on actuarial valuation of the obligation by the gratuity fund. The actuarial gains/losses historically have not been material.
- The Group does not foresee any diminution in the value of investments 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 not recognised Deferred Tax Assets arising on provision for doubtful debts (net of deferred tax liabilities) as a matter of prudence.
- The accounts of ICDS Limited ("ICDS" / "the Company") have been prepared its accounts on "going concern basis", in view of networth being positive with positive cashflows following the successful implementation of the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka and Company's plans to foray into new operations and gains out of the stock in trade of investments.
- With respect to the income Tax Demand of Rs. 1,024.04 Lakhs (inclusive of interest) raised by the Income Tax Department on ICDS Limited ('the Company') following the order of Hon'ble High Court of Karnataka disallowing depreciation on leased assets with respect to Block Assessment pertaining to assessment years from 1987-88 to 1997-98, the Supreme Court vide order dated February 12, 2020 has disposed the matter setting aside the orders of the Hon'ble High Court, Income Tax Appellate Tribunal ('ITAT') and Commissioner of Income Tax (Appeals) - I ('CIT-A') and has remanded the matter back to the CIT-A for reconsideration of the matter afresh on its own merits in accordance with law including by examining the additional material / circumstances to be produced by the parties. The Company however has not received any notices from CIT-A as at date. The Company had deposited Rs. 751.71 Lakhs against the said Income Tax demand as on date. The Company had also offered one of its immovable property as security which is free of any encumbrances. The Company was earlier legally advised based on the decisions of the Appellate authorities/Courts and the interpretations of other relevant provisions and documentation / material in its possession, that the disallowance of depreciation will be deleted and demand raised on account of block assessments would get vacated accordingly no provision for tax in the books was considered necessary under the regular provisions of Income Tax Act, 1961.  
The Ministry of Finance, Government of India has introduced the Direct Tax Vivaad Se Vishwas Act, 2020 ('DTVSV' or 'the Act') to help tax payers end their tax disputes with the Income Tax Department by paying disputed tax and get waiver from payment of interest and penalty and also immunity from prosecution. As per the Act, the tax payers are required to remit of the disputed taxes by December 31, 2020. The Company has obtained opinion in this matter from tax consultants. The Company is also confident that in case it opts for the settlement under the scheme, there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than tax liability under DTVSV Scheme. The Company based on advises by the legal experts considered a detailed analysis of the cost and benefits of opting to the scheme under the Act. Considering the cost and benefit analysis and long time lines involved in closure of the cases, the Company has filed an online application under DTVSV Scheme to settle matter during December 2020. The management is confident that the company's application under DTVSV Scheme will be considered favourably by the tax authorities and would be entitled to refund of excess taxes over and above the liability under DTVSV scheme. In view of the said decision of the management to opt for DTVSV Scheme, the Company has made provision for income tax for earlier years to the extent of Rs.617.96 Lakhs which is the estimated taxes payable as per DTVSV scheme.
- Figures pertaining to previous period(s) / year have been regrouped and rearranged, wherever necessary to conform to the classification adopted in the current quarter.

For & on behalf of the Board of Directors

  
T Mohandas Pal  
Chairman  
DIN: 00104336  
Place : Manipal  
Date : February 10, 2021

  
Bhadrath Krishna Nayak  
Managing Director  
DIN: 00776729

