

ICDS Ltd.
Syndicate House, Manipal- 576 104 (Karnataka)
CIN: L65993KA1971PLC002106

CORPORATE GOVERNANCE REPORT

Corporate Governance Code

The Directors present the Company's report on Corporate Governance as on 31st March, 2019 as required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Philosophy:

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

2. Board of Directors:

The Board comprised of seven Directors, of which one is executive and two non-executives and four Independent Directors including a woman director.

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

i) Number of Board Meeting and Attendance of Directors:

The Board met 5 times during financial year 2018-2019. The details are as follows:

Date of Meeting	Board Strength	No. of Directors present
29 th May, 2018	7	7
8 th August, 2018	7	6
5 th November, 2018	7	5
5 th December, 2018	7	7
13 th February, 2019	7	6

The last AGM was held on 25th September, 2018 and out of 7 Directors of the Company, 5 Directors were attended the AGM.

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

Sl No.	Name of the Directors	Category of Directorships	No.of Meetings attended	Attendance at last AGM	No.of other directorship	No.of Board committees in which Chairman(C) Member(M)
1	Sri T Mohandas Pai	Promoter Non-Executive	4	Yes	4	1(C)
2.	Sri H N S Rao#	Non-Executive	4	Yes	4	-
3.	Sri Bharath Krishna Nayak	Managing Director	4	Yes	4	-
4.	Sri K M Udupa#	Non-Executive Independent	4	No	0	-
5.	Sri Airody Giridhar Pai	Non-Executive Independent	2	No	1	3(M)
6.	Sri U Harish P Shenoy	Non-Executive Independent	3	Yes	2	1(C) 2(M)
7.	Mrs Vimal C Kamath	Non-Executive Independent	4	Yes	0	1(M)
8.	Mr T Sachin Pai	Non-Executive	2	No	2	-
9.	Mr Sujir Prabhakar	Non-Executive Independent	2	No	0	1(C)

Resigned effective from the close of business hours of December 05, 2018.

3. Audit Committee:

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

Sri SujirPrabhakar, Chairman
Sri AirodyGiridharPai, Member
Sri U Harish P Shenoy, Member

The role and terms of reference of Audit Committee cover the areas mentioned under Regulation 72 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 179 of the Companies Act, 2013, besides other terms referred to by the Board of Directors from time to time. During the year,theCommittee met on 29thMay, 2018, 8th August, 2018, 5th November, 2018 and 13th February, 2019. Mrs.VeenaHegde, Company Secretary is the Compliance Officer.

Attendance of the Directors at the Audit Committee Meeting:

Meeting held on	No. of Members present
29 th May, 2018	4

8 th August, 2018	3
5 th November, 2018	2
13 th February, 2019	3

4. Nomination and Remuneration Committee:

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

Sri Bharath Krishna Nayak is the Managing Director of the Company and he does not draw any remuneration.

Details of remuneration for the year ended 31st March, 2019:

i) Managing Director: Nil

ii) Non-Executive Directors & Independent Directors: Non-Executive Directors and Independent Directors were paid remuneration by way of sitting fees for attending Board Meetings.

iii) Key Managerial Personnel: details of remuneration paid to Company Secretary and Chief Financial Officer of the Company has been furnished in the Form MGT-9 which is available in the company's website www.icdslimited.com under link: http://www.icdslimited.com/sites/default/files/ICDS_Form_MGT-9_Extract_of_Annual_Return_2019.pdf

5. Stakeholders Relationship Committee:

The Committee review and redress shareholders grievances/complaints on matters relating to transfer/transmission of shares, non-receipt of Annual Report etc. Minor Grievances are redressed by the Company Secretary / Share Transfer Agents. The Committee met 4 times during the year under report.

The Composition of Stakeholders Relationship Committee and attendance of the members in the meeting is given below:

Name	Status	No. of Meetings attended
Mr T Mohandas Pai	Non Executive Chairman	4
Mr Udipi Harish Shenoy	Independent Director	4
Mr Airody Giridhar Pai	Independent Director	4

Mrs Veena Hegde, Company Secretary is the Compliance Officer.

Number of Shareholders Complaints received	:	Nil
Number of Shareholders Complaints settled	:	Nil
Number not solved to the satisfaction of the shareholders:		Nil
Number of pending Share transfers	:	Nil

6. Annual General Meetings:

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

AGM No.	Date	Time	Special Resolution required

45	26/09/2016	4.00 p.m.	Adoption of new set of Articles of Association of the Company inter-alia pursuant to the Companies Act, 2013.
46	25/09/2017	4.00 p.m.	NIL
47	25/09/2018	4.00 p.m.	NIL

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

Postal Ballot:

The Notice of 48th Annual General Meeting does not contain any item which required approval by Postal Ballot.

7. Disclosures :

Related Party Transactions:

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

All related party transactions that were entered into were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Companies Act, 2013 ("the Act"). There were no materially significant related party transactions made by the Company during the year that would have required shareholders' approval under the provisions of the Act.

Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provided for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company www.icdslimited.com. Your company hereby affirms that no complaints were received during the year under review.

Compliance with Accounting Standards:

In the preparation of Financial Statements, the Company has followed the Accounting Standards Referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

8. Means of communication:

- a. Quarterly/Half yearly Financial Results of the Company are forwarded to National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd, and are made available on the

company's Website www.icdslimited.com and also published in News Papers in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Management Discussion and Analysis Report:

Review of Operations:

At present your company is engaged in recovery of over dues of Hire Purchase installments/ Lease Installments, Loans and other dues., Your Company is Corporate Agent for Life and General Insurance Companies and generating some income to supplement the income from recovery of dues.

Business Review:

During the year under review, your company recovered/earned an amount of Rs.283.37 Lakhs from various sources such as Rs.119 lakhs as recovery of Bad and Doubtful Debts, Rs.50 lakhs from demerger Receivables from Manipal Properties Ltd, the income from other activities like service charges under Insurance Agency, Dividend Income and rental income is Rs.114.37 lakhs

Payment of Public Liabilities

The Final installment payable under the Scheme of Arrangement was on 30th June, 2010. In spite of sending letters, reminders to various investors, some Investors have not surrendered the original certificates of investments to take back their investment and interest. Further some of the investors have not either presented the cheque issued in their favour in settlement of their dues or the instruments were lost in transit.

Transfer of Unclaimed Public Liabilities to Investors Education & Protection Fund (IEPF) [Pursuant to rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Your Company has remitted unclaimed/un-encashed amounts to IEPF during the period under report subject to note number 23(a) of the Balance sheet..

Discussion on Financial Performance:

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

Human Resource Development:

There has been no material development on the Human Resources front. The number of people employed as on 31st March, 2019 was 27 as against the previous year's figure of 33.

General Shareholder Information

a) Annual general meeting	: 48 th Annual General Meeting
Day & Date	: Thursday, 26 th day of September, 2019
Time	: 4.00 p.m.
Venue	: Rotary Hall, Ananth Nagar Manipal 576 104, Udipi District

- b) Financial Calendar** : 1st April to 31st March
- c) Date of Book Closure** : 23-09-2019 to
26-09-2019 (both days inclusive)
- d) Dividend** : No Dividend has been recommended by the
Board of Directors for the year ended 31st
March, 2019.
- e) Registered Office** : Syndicate House, Manipal 576 104.
- f) Listing on Stock Exchanges** : The equity shares are listed on National Stock
Exchange of India Ltd. and Bombay Stock
Exchange Ltd. However shares are being suspended
from both Exchanges, application for revocation of
suspension have been filed and same are under
process with both the Exchanges.

Note: Annual Listing Fee has been paid up to date.

g)a) Stock Code : ICDSLTD. EQ. (NSE) 511194 (BSE)

b) Dematerialization of Shares : ISIN No.INE 613B01010

d) website: www.nseindia.com&www.bseindia.com

As on 31st March, 2019, 1,03,82,439 No. Equity Shares forming 79.71% of the share capital of the Company stands dematerialized (Previous Year: 86,29,181 No. equity shares forming 66.24% of the Share Capital).

h) Market Price Data : Not Available.

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

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

Cameo Corporate Services Ltd,

Subramanian Building

No.1, Club House Road

Chennai 600 002

Phone : (044-28460390), Email : investor@cameoindia.com

j) Share Transfer System:

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

k) Distribution of Equity Shareholding as on 31st March, 2019

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	4513	83.0817	722219	7222190	5.5441
5001 - 10000	499	9.1863	347172	3471720	2.6650
10001 - 20000	214	3.9396	300051	3000510	2.3033
20001 - 30000	59	1.0861	146638	1466380	1.1256
30001 - 40000	31	0.5706	110835	1108350	0.8508
40001 - 50000	15	0.2761	67632	676320	0.5191
50001 - 100000	25	0.4602	182027	1820270	1.3973
100001 - And Above	76	1.3991	11150126	111501260	85.5944
Total :	5432	100.00	1,30,26,700	13,02,67,000	100.00

l) Pattern of Equity Shareholding as on 31st March 2019

Shareholders	No. of Shares held	Percentage
Foreign Body Corporate	400,000	3.07
Directors, Relatives, Friends and Associates	669,439,6	51.39
Financial Institutions	684,813	5.26
Banks	1172	0.01
Other Corporate Bodies	339,017	2.60
Others	4,907,862	37.67
TOTAL	13,026,700	100.00


- l) **Plant Locations:** NIL
m) **Company's Website :** www.icdslimited.com
n) **Address for Investor's Correspondence:**
Secretarial Department
ICDS Ltd
Regd. Office: Syndicate House, MANIPAL 576 104
Phone: (0820) 2701500
Email: veenahegde@icdslimited.com

DECLARATION

As provided under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 all Board Members and Senior Management Personnel affirmed compliance with ICDS Ltd, Code of Conduct and Ethics for the year ended 31st March, 2019.

For ICDS Ltd.

Place: Manipal
Date :28.05.2019


T Mohandas Pai
Chairman
(DIN 00104336)

