

**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, as amended.**

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 months period ended June 30, 2021 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 months period ended June 30, 2021.

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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. 11 to the Statement, with regard to management's evaluation of impact of COVID-19 on the future performance of the Company.

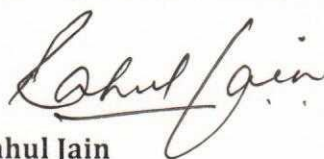
Our conclusion on the Statement is not modified in respect of this matter.

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. 9.70 Lakhs, total net profit after tax of Rs. 5.26 Lakhs and total comprehensive income of Rs. 5.26 Lakhs for the three months period ended June 30, 2021, 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



**Rahul Jain**

Partner

Membership No.: 239295

**UDIN : 21239295AAAAAE8820**

Place: Bengaluru

Date: August 11, 2021





# ICDS Limited

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

CIN | L65993KA1971PLC002106

www.icdslimited.com

## UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Rs. in Lakhs

Sl. No.	Particulars	Quarter ended			Year ended
		30-Jun-21 (Unaudited)	31-Mar-21 Note 1	30-Jun-20 (Unaudited)	31-Mar-21 (Audited)
1	Revenue from operations	27.27	28.60	23.33	104.65
2	Other Income [refer note 5 below].	9.42	38.46	79.77	210.76
3	<b>Total Revenue (1+2)</b>	<b>36.69</b>	<b>67.06</b>	<b>103.10</b>	<b>315.41</b>
4	<b>Expenses</b>				
	Employee benefit expenses	17.13	5.66	24.90	74.15
	Finance Costs	1.94	2.24	1.99	7.99
	Depreciation and amortisation expenses	8.44	8.36	8.51	34.02
	Other expenses	11.18	50.79	15.76	97.47
	<b>Total expenses</b>	<b>38.69</b>	<b>67.05</b>	<b>51.16</b>	<b>213.63</b>
5	<b>Profit/(loss) before exceptional items (3-4)</b>	<b>(2.00)</b>	<b>0.01</b>	<b>51.94</b>	<b>101.78</b>
6	Exceptional items - gain/(loss)	-	-	-	-
7	<b>Profit/(loss) before tax (5-6)</b>	<b>(2.00)</b>	<b>0.01</b>	<b>51.94</b>	<b>101.78</b>
8	<b>Tax expense</b>				
	i. Current tax	0.98	(11.27)	13.25	3.96
	ii. Deferred tax	-	2.14	-	2.14
	iii. Income tax for earlier years (refer note no.10)	-	15.97	-	633.93
9	<b>Profit / (loss) for the period (7-8)</b>	<b>(2.98)</b>	<b>(6.83)</b>	<b>38.69</b>	<b>(538.25)</b>
10	<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	-	(10.93)	-	(10.93)
	Income tax effect	-	2.14	-	2.14
	ii. Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>(8.79)</b>	<b>-</b>	<b>(8.79)</b>
11	<b>Total comprehensive income for the period (9+10)</b>	<b>(2.98)</b>	<b>(15.62)</b>	<b>38.69</b>	<b>(547.04)</b>
	<b>Net Profit attributable to :</b>				
	Owners of the Company	(2.98)	(6.83)	38.69	(538.25)
	Non-controlling interest	-	-	-	-
	<b>Other Comprehensive Income attributable to :</b>				
	Owners of the Company	-	(8.79)	-	(8.79)
	Non-controlling interest	-	-	-	-
	<b>Total Comprehensive Income attributable to :</b>				
	Owners of the Company	(2.98)	(15.62)	38.69	(547.04)
	Non-controlling interest	-	-	-	-
12	<b>Paid up equity share capital (Face value of Rs 10 each)</b>	<b>1,302.67</b>	<b>1,302.67</b>	<b>1,302.67</b>	<b>1,302.67</b>
13	<b>Other Equity Excluding Revaluation Reserve</b>				<b>293.79</b>
14	<b>Earnings per share (EPS) (of Rs 10/ each)</b>				
	(not annualised for the quarter):				
	(a) Basic (In rupees)	(0.02)	(0.05)	0.30	(4.13)
	(b) Diluted (In rupees)	(0.02)	(0.05)	0.30	(4.13)

### Notes:

- The figures of the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year to date figures for the nine months ended December 31, 2020 which were subjected to limited review.
- The unaudited consolidated financial results for the quarter ended June 30, 2021 has been reviewed and approved by the Audit Committee and approved by the Board of Directors at their meeting conducted on August 11, 2021.
- The above unaudited consolidated financial results have been prepared as per format prescribed in Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The Group has identified three 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.



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**Notes:**

- 5 Other income includes dividend income, interest income, unwinding interest income on financial assets and Fair value gain/(loss) on financial assets.
- 6 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.
- 7 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.
- 8 The Group has not recognised Deferred Tax Assets arising on unused losses and depreciation allowance and provision for doubtful debts (net of deferred tax liabilities) as a matter of prudence.
- 9 The Holding 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 the Holding Company's foray into fee based activities, rentals from investment properties, gains from dealing in trading of shares and securities.
- 10 The Ministry of Finance, Government of India has introduced the Direct Tax Vivad Se Vishwas Act, 2020 ('DTVSV Act, 2020' 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 the disputed taxes without an additional amount by June 30, 2021. The Holding Company had obtained an opinion in this matter from tax consultants. The Holding Company during the previous year, based on advice from its tax counsel and the decision of the board of directors opted for the settlement under the scheme since there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than the tax liability under the DTVSV Act, 2020.

The Holding Company had filed an online declaration during December 2020 under DTVSV Act, 2020 in respect of its Income tax demand for Block Assessment of Rs.1,011.26 Lakhs (inclusive of interest) pertaining to assessment years from 1987-88 to 1997-98 to settle matter and against which a certificate settling the tax demand at Rs.633.93 Lakhs was approved under Form 3 under of Section 5(1) of the DTVSV Act, 2020 by Department on June 15, 2021. The Holding Company had already deposited Rs.774.86 Lakhs against the said Income Tax demand as on date. The management is confident of recovering the amount paid under protest of Rs 140.93 Lakhs (after netting the tax settled under DTVSV Act, 2020 as disclosed above) based on the approval of refund vide Form 3 by the Income Tax department. The Holding Company accordingly, during the previous year ended March 31, 2021, had made provision for income tax for earlier years to the extent of Rs.633.93 Lakhs which is the estimated taxes payable as per certificate in Form 3 under Section 5(1) of DTVSV Act, 2020.

- 11 The COVID-19 pandemic has impacted businesses globally and in India. The Company has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Group, however, believes strongly that its offerings to the customer would not significantly impact its revenue. 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 expects the rental income to be back to the existing levels 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 has 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 consolidated financial statements. However due to the nature of the pandemic and emerging multiple new variants of COVID 19 and 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.
- 12 There are numerous interpretative issues till now relating to the Hon'ble Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.
- 13 The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified.
- 14 The investors can view the unaudited consolidated 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).
- 15 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

Bharath Krishna Nayak  
Managing Director  
DIN: 00776729

G R Nayak  
Chief Financial Officer

Place : Manipal  
Date: August 11, 2021





# ICDS LIMITED

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

CIN | L65993KA1971PLC002106

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## UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2021


Rs. in Lakhs

Particulars	Quarter ended			Year ended
	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
	(Unaudited)	Note 1	(Unaudited)	(Audited)
<b>I. Segment Revenue</b>				
a) Financial services (recovery activities)	-	0.08	-	12.32
b) Trading activities	0.42	1.30	-	1.59
c) Rent on premises	26.73	25.30	23.27	98.54
d) Others	0.12	2.00	0.06	4.52
<b>Total</b>	<b>27.27</b>	<b>28.68</b>	<b>23.33</b>	<b>116.97</b>
Less: Intersegment Revenue	-	0.08	-	12.32
<b>Net Sales/Revenue from Operations</b>	<b>27.27</b>	<b>28.60</b>	<b>23.33</b>	<b>104.65</b>
<b>II. Segment Results:</b>				
Profit before tax and interest from each segment				
a) Financial services (recovery activities)	(7.29)	(10.51)	(10.46)	(64.18)
b) Trading activities	4.44	34.80	71.88	186.72
c) Rent on premises	11.63	18.17	8.11	49.70
d) Others	0.12	3.02	(0.16)	4.52
<b>Total</b>	<b>8.90</b>	<b>45.48</b>	<b>69.37</b>	<b>176.76</b>
<b>Add/Less</b>				
(i) Other unallocable expenditure (Net)	(13.99)	(48.89)	(16.85)	(91.09)
(ii) Other Income	3.75	4.58	0.07	19.32
(iii) Finance costs	(0.66)	(1.16)	(0.65)	(3.21)
<b>Total Profit Before Tax</b>	<b>(2.00)</b>	<b>0.01</b>	<b>51.94</b>	<b>101.78</b>
Provision for taxation	0.98	6.84	13.25	640.03
<b>Total Profit After Tax</b>	<b>(2.98)</b>	<b>(6.83)</b>	<b>38.69</b>	<b>(538.25)</b>
<b>III. Segment assets</b>				
a) Financial services (recovery activities)	386.99	374.00	438.48	374.00
b) Trading activities	368.89	363.08	228.26	363.08
c) Rent on premises	1,159.35	1,156.81	1,193.38	1,156.81
d) Others	0.50	0.98	0.97	0.98
e) Unallocable Assets	154.48	153.41	769.65	153.41
<b>Total</b>	<b>2,070.21</b>	<b>2,048.28</b>	<b>2,630.74</b>	<b>2,048.28</b>
<b>IV. Segment Liabilities</b>				
a) Financial services (recovery activities)	47.91	25.33	25.42	25.33
b) Trading activities	-	-	-	-
c) Rent on premises	86.96	85.36	83.25	85.36
d) Others	-	-	-	-
e) Unallocable Liabilities	-	-	-	-
<b>Total</b>	<b>134.87</b>	<b>110.69</b>	<b>108.67</b>	<b>110.69</b>


### Notes:

- The figures of the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited year to date figures upto the third quarter of the relevant financial year.
- Interest expenditure and interest income of the company are not shown separately for financial services since the same are integral part of the financial business.
- Figures pertaining to previous period(s) 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

  
Bharath Krishna Nayak  
Managing Director  
DIN: 00776729

  
G R Nayak  
Chief Financial Officer





**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 months period ended June 30, 2021 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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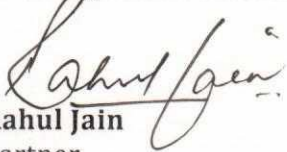
5. We draw attention to Note No. 11 to the Statement, with regard to management's evaluation of impact of COVID-19 on the future performance of the Company.

Our conclusion on the Statement is not modified in respect of this matter.

**For Pathak H D & Associates LLP**

Chartered Accountants

Firm Registration Number: 107783W/W100593

  
**Rahul Jain**

Partner

Membership No.: 239295

**UDIN : 21239295AAAAAD9936**

Place: Bengaluru

Date: August 11, 2021





# ICDS Limited

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CIN | L65993KA1971PLC002106

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## UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Sl. No.	Particulars	Quarter ended			Rs. in Lakhs
		30-Jun-21 (Unaudited)	31-Mar-21 Note 1	30-Jun-20 (Unaudited)	Year ended 31-Mar-21 (Audited)
1	Revenue from operations	17.62	19.24	15.04	81.08
2	Other Income [refer note 5 below].	9.37	38.41	77.29	208.07
3	<b>Total Revenue (1+2)</b>	<b>26.99</b>	<b>57.65</b>	<b>92.33</b>	<b>289.15</b>
4	<b>Expenses</b>				
	Employee benefit expenses	17.13	5.66	24.90	74.15
	Finance Costs	1.50	1.97	1.39	6.31
	Depreciation and amortisation expenses	8.06	7.97	8.13	32.48
	Other expenses	8.54	48.29	13.30	87.33
	<b>Total expenses</b>	<b>35.23</b>	<b>63.89</b>	<b>47.72</b>	<b>200.27</b>
5	<b>Profit/(loss) before exceptional items (3-4)</b>	<b>(8.24)</b>	<b>(6.24)</b>	<b>44.61</b>	<b>88.88</b>
6	Exceptional items - gain/(loss)	-	-	-	-
7	<b>Profit/(loss) before tax (5-6)</b>	<b>(8.24)</b>	<b>(6.24)</b>	<b>44.61</b>	<b>88.88</b>
8	<b>Tax expense</b>				
	i. Current tax	-	(12.00)	12.00	-
	ii. Deferred tax	-	2.14	-	2.14
	iii. Income tax for earlier years (refer note no.10)	-	15.97	-	633.93
9	<b>Profit / (loss) for the period (7-8)</b>	<b>(8.24)</b>	<b>(12.35)</b>	<b>32.61</b>	<b>(547.19)</b>
10	<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	-	(10.93)	-	(10.93)
	Income tax effect	-	2.14	-	2.14
	ii. Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>(8.79)</b>	<b>-</b>	<b>(8.79)</b>
11	<b>Total comprehensive income for the period (9+10)</b>	<b>(8.24)</b>	<b>(21.14)</b>	<b>32.61</b>	<b>(555.98)</b>
12	Paid up equity share capital (Face value of Rs 10 each)	1,302.67	1,302.67	1,302.67	1,302.67
13	Other Equity Excluding Revaluation Reserve	-	-	-	54.41
14	<b>Earnings per share (EPS) (of Rs 10/ each)</b>				
	(not annualised for the quarter):				
	(a) Basic (in rupees)	(0.06)	(0.09)	0.25	(4.20)
	(b) Diluted (in rupees)	(0.06)	(0.09)	0.25	(4.20)

### Notes:

- The figures of the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year to date figures for the nine months ended December 31, 2020 which were subjected to limited review.
- The unaudited standalone financial results for the quarter ended June 30, 2021 has been reviewed and approved by the Audit Committee and approved by the Board of Directors at their meeting conducted on August 11, 2021.
- The above unaudited financial results have been prepared as per format prescribed in Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 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(net) 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 Company 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 unused losses and depreciation allowance and 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 the Company's foray into fee based activities, rentals from investment properties, gains from dealing in trading of shares and securities.



THK

*[Signature]*





## ICDS Limited

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CIN | L65993KA1971PLC002106

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### UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

#### Notes:

- 10 The Ministry of Finance, Government of India has introduced the Direct Tax Vivaad Se Vishwas Act, 2020 ('DTVSV Act, 220' 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 the disputed taxes without an additional amount by June 30, 2021. The Company had obtained an opinion in this matter from tax consultants. The Company during the previous year, based on advice from its tax counsel and the decision of the board of directors opted for the settlement under the scheme since there will not be any cash outflow required to be made in view of the amounts already paid under protest being higher than the tax liability under the DTVSV Act, 2020.

The Company had filed an online declaration during December 2020 under DTVSV Act, 2020 in respect of its Income tax demand for Block Assessment of Rs.1,011.26 Lakhs (inclusive of interest) pertaining to assessment years from 1987-88 to 1997-98 to settle matter and against which a certificate settling the tax demand at Rs.633.93 Lakhs was approved under Form 3 under of Section 5(1) of the DTVSV Act, 2020 by Department on June 15, 2021. The Company had already deposited Rs.774.86 Lakhs against the said Income Tax demand as on date. The management is confident of recovering the amount paid under protest of Rs 140.93 Lakhs (after netting the tax settled under DTVSV Act, 2020 as disclosed above) based on the approval of refund vide Form 3 by the Income Tax department. During the previous year ended March 31, 2021, the Company accordingly, had made provision for income tax for earlier years to the extent of Rs.633.93 Lakhs which is the estimated taxes payable as per certificate in Form 3 under Section 5(1) of DTVSV Act, 2020.

- 11 The COVID-19 pandemic has impacted businesses globally and in India. The Company has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company, however, believes strongly that its offerings to the customer would not significantly impact its revenue. 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 expects the rental income to be back to the existing levels 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 has 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 standalone financial statements. However due to the nature of the pandemic and emerging multiple new variants of COVID 19 and 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.

- 12 There are numerous interpretative issues till now relating to the Hon'ble Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

- 13 The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified.

- 14 The investors can view the unaudited standalone results of ICDS Limited available on the Stock Exchange websites www.bseindia.com, www.nseindia.com and company's website www.icdslimited.com.

- 15 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

Bharath Krishna Nayak  
Managing Director  
DIN: 00776729

G R Nayak  
Chief Financial Officer

Place : Manipal  
Date: August 11, 2021

