

Independent Auditors' Review Report on Consolidated Quarterly Financial Results of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited') pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
SIS Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of **SIS Limited** ("the Company" or "the Parent"), its subsidiaries (collectively referred to as "the Group"), its associates and joint ventures, as listed in the annexure to this report, for the for the quarter ended June 30, 2021 attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and has been approved by the Board of Directors, has been compiled from the related interim consolidated financial statements, which has been prepared in accordance with Indian Accounting Standard 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 (the Act), read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review 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 about whether the financial results are free from material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Based on our review conducted and procedures performed as stated in paragraph above and based on the consideration of the review reports of the other auditors referred to in paragraph 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 Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We did not review the financial results and financial information, in respect of 34 subsidiaries whose financial results reflects total revenue from operations of INR 15,157.23 Mn, total net profit after tax of INR 447.62 Mn and total comprehensive income of INR 475.71 Mn for the quarter ended June 30, 2021 as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of INR 6.35 Mn for the quarter ended June 30, 2021, in respect of 4 associates and jointly controlled entities, whose financial results and financial information have not been reviewed by us.

The financial results and financial information of 30 subsidiaries, 4 associates and jointly controlled entities have been reviewed by other auditors whose reports have been furnished to us by the Parent's management. The financial results and financial information of 4 subsidiaries included in the Statement, have been prepared by the subsidiary's management and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries, associates and jointly controlled entities is based solely on reports of other auditors, management information and the procedures performed by us as stated in paragraph above. Our report is not qualified in respect of this matter.

Saxena & Saxena **Chartered Accountants**

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Certain of these subsidiaries, associates and jointly controlled entities are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries, associates and jointly controlled entities from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and jointly controlled entities is based on the report of other auditors, the conversion adjustments prepared by the Parent's management and the procedures performed by us as stated in paragraph above.

For **Saxena & Saxena**
Chartered Accountants
(Firm Regn. No.006103N)



CA. Dilip Kumar
(Partner)
M. No. 82118

UDIN: 21082118AAAAQL7998
Place: - New Delhi
Date: - July 28, 2021

Annexure to Auditor's Review Report

List of Subsidiaries:

1. Service Master Clean Limited
2. Tech SIS Limited
3. Terminix SIS India Private Limited
4. SIS Business Support Services and Solutions Private Limited
5. Dusters Total Solutions Services Private Limited
6. SISCO Security Services Private Limited
7. SLV Security Services Private Limited
8. Rare Hospitality and Services Private Limited
9. Uniq Security Solutions Private Limited (formerly known as Uniq Detective and Security Services Private Limited)
10. Uniq Detective and Security Services (Tamilnadu) Private Limited
11. Uniq Detective and Security Services (AP) Private Limited
12. Uniq Facility Services Private Limited
13. SIS Alarm Monitoring and Response Services Private Limited (formerly known as SIS Prosegur Alarm Monitoring and Response Services Private Limited)
14. ADIS Enterprises Private Limited
15. ONE SIS Solutions Private Limited
16. SIS International Holdings Limited
17. SIS Asia Pacific Holdings Limited
18. SIS Australia Holdings Pty Ltd
19. SIS Australia Group Pty Ltd
20. SIS Group International Holdings Pty Ltd
21. MSS Strategic Medical and Rescue Pty Ltd
22. SIS MSS Security Holdings Pty Ltd
23. MSS Security Pty Ltd
24. Australian Security Connections Pty Ltd
25. SX Protective Holdings Pty Ltd (formerly known as Andwills Pty. Limited)
26. Southern Cross Protection Pty Ltd
27. Askara Pty Ltd
28. Charter Security Protective Services Pty Ltd
29. Charter Security (NZ) Pty Limited
30. MSS AJG Pty Ltd
31. Platform 4 Group Ltd
32. SIS Henderson Holdings Pte Ltd
33. Henderson Security Services Pte Ltd
34. Henderson Technologies Pte Ltd
35. Triton Security Services Ltd
36. The Alarm Centre Limited

List of associates/Jointly controlled entities

1. SIS Cash Services Private Limited
2. SIS Prosegur Holdings Private Limited
3. SIS Prosegur Cash Logistics Private Limited
4. Habitat Security Pty Ltd.

SIS Limited

Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna - 800010

CIN: L75230BR1985PLC002083

Statement of consolidated financial results for the quarter ended June 30, 2021

Sl No	Particulars	(Rupees in million except per share data)			
		Quarter ended			Year ended
		June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	a) Revenue from operations	23,792.91	24,452.05	21,667.34	91,273.04
	b) Other income	104.02	645.67	97.58	1,198.60
	c) Other gain / (loss)	11.43	2,852.38	133.22	3,579.34
	Total Income (a + b + c)	23,908.36	27,950.10	21,898.14	96,050.98
2	Expenses				
	a) Cost of materials consumed	80.65	112.59	62.16	314.56
	b) Purchases of stock-in-trade	75.66	67.99	110.56	456.32
	c) Changes in inventories of stock-in-trade	-21.41	-0.40	-18.90	29.66
	d) Employee benefits expense	18,530.73	18,900.29	16,886.21	70,564.79
	e) Finance costs	245.60	281.50	372.71	1,272.50
	f) Depreciation and amortization expenses	269.83	285.20	285.35	1,130.30
	g) Other expenses	3,913.87	4,138.14	3,418.47	14,699.91
	Total expenses (a + b + c + d + e + f + g)	23,094.93	23,785.31	21,116.56	88,468.04
3	Profit / (loss) before tax and exceptional items (1-2)	813.43	4,164.79	781.58	7,582.94
4	Share of profit / (loss) of associates / joint ventures	-6.35	6.85	-2.87	5.46
5	Profit before / (loss) exceptional items and tax (3+4)	807.08	4,171.64	778.71	7,588.40
6	Exceptional items	-	2,762.46	-	2,762.46
7	Profit / (loss) before tax (5-6)	807.08	1,409.18	778.71	4,825.94
8	Tax expense / (credit)				
	Current tax	356.66	340.86	238.42	1,060.37
	Deferred tax	-144.57	45.99	-38.43	93.47
	Total tax expense / (credit)	212.09	386.85	199.99	1,153.84
9	Profit for the period (7-8)	594.99	1,022.33	578.72	3,672.10
10	Other comprehensive income				
	Items that will be reclassified to profit or loss:				
	a) Foreign exchange gain / (loss) on monetary items included in net Investment in a foreign operations	21.08	-87.81	452.89	757.43
	b) Income tax relating to these items	-	-	-	-
	Items that will not be reclassified to profit or loss:				
	a) Remeasurement of defined benefits plan	12.39	83.12	4.87	-2.95
	b) Income tax relating to these items	-3.12	-20.93	-1.22	0.74
	Other comprehensive income / (loss) for the period (net of taxes)	30.35	-25.62	456.54	755.22
11	Total comprehensive income / (loss) for the period (9+10)	625.34	996.71	1,035.26	4,427.32
12	Non-controlling interests	2.85	-0.33	7.69	17.71
13	Total comprehensive income / (loss) attributable to owners (11-12)	622.49	997.04	1,027.57	4,409.61
14	Paid-up equity share capital (face value of Rs. 5 per share)	733.64	741.51	733.25	741.51
15	Reserves i.e. Other equity	16,999.57	17,566.12	14,184.82	17,566.12
16	Earnings Per Share (EPS) (of Rs.5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	(a) Basic (Rs.)	4.00	6.91	3.89	24.85
	(b) Diluted (Rs.)	3.95	6.88	3.83	24.73

Please see the accompanying notes to the financial results

Notes to the consolidated financial results:

1. The Statement of consolidated financial results (“the Statement”) of SIS Limited (formerly known as ‘Security and Intelligence Services (India) Limited’) (the “Parent” or “Company”) including its subsidiaries (collectively known as the “Group”), its associates and its jointly controlled entities for the quarter ended June 30, 2021 have been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on July 28, 2021.
2. The consolidated results have been prepared in accordance with the principles and procedures of Indian Accounting Standards (“Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as prescribed in Section 133 of the Companies Act, 2013 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and other recognized accounting practices and policies.
3. During the quarter ended June 30, 2021, a subsidiary of the Group acquired all of the remaining shareholding and voting rights of 40% in SIS Henderson Holdings Pte Ltd., Singapore, an indirect subsidiary of the Parent, for an aggregate consideration of INR 1,260.8 million (AUD 22.25 million), which resulted in SIS Henderson Holdings Pte Ltd. and its subsidiaries becoming wholly owned subsidiaries of the Parent.
4. During the quarter ended June 30, 2021, the Parent acquired the entire remaining shareholding of 49% in Uniq Security Solutions Private Limited (‘UNIQ’), a subsidiary of the Parent, for an aggregate consideration of INR 510 million which resulted in UNIQ and its subsidiaries becoming wholly owned subsidiaries of the Parent.
5. Pursuant to the approval of the Board of Directors of the Parent, at its meeting held on February 15, 2021, and the shareholders, by way of a special resolution through postal ballot, on March 20, 2021, 1,818,181 equity shares of face value of INR 5 each of the Parent were offered for buyback by the Parent to all eligible shareholders of the Parent, through the tender offer process, for an aggregate amount not exceeding 1,000 million, being 1.24% of the total paid up equity share capital of the Parent as on March 31, 2020, at INR 550 per equity share, per the provisions of the Security and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended and the Companies Act, as amended. The said buyback through the tender offer process was completed on June 21, 2021. The Parent has funded the buyback from its free reserves as required under the said regulations. As a result of the buyback, 1,818,181 equity shares of face value of INR 5 each of the Parent were extinguished by appropriating a sum of INR 990.91 million from the securities premium and an amount of INR 9.09 million, being a sum equal to the nominal value of the Equity Shares bought back through the Buyback have been transferred to the capital redemption reserve account.
6. During the quarter ended June 30, 2021, Parent has repaid 1,500 Secured Rated Listed Redeemable Non-Convertible Debentures (“the Debentures”) of face value of INR 1.00 million each, aggregating to INR 1,500 million along with interest due thereon, which was issued on April 13, 2018, on a private placement basis and were redeemable at par after 3 years from the date of allotment. The Debentures were secured by way of security created over the Parent’s shareholding in a subsidiary company.
7. During the quarter ended June 30, 2021, upon exercise of vested stock options by the eligible employees, the Parent has allotted 243,910 equity shares of INR 5 each. Consequent to the said allotment and buyback as mentioned above in note 5, the paid-up equity share capital of the Parent stands increased to INR 733,637,435 divided into 146,727,487 equity shares of INR 5 each.
8. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of financial and non-financial assets. The Group has assessed the carrying amounts based on subsequent events and the state of the business operations during the period of the pandemic and related information including economic forecasts. As a result of this assessment, and based on the current estimates, the Group expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.

For and on behalf of the Board of Directors of
SIS Limited



Rituraj Kishore Sinha
Managing Director



Place: New Delhi
Date: July 28, 2021

SIS Limited				
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna – 800010				
CIN: L75230BR1985PLC002083				
Consolidated segment-wise Revenue, Results, Assets and Liabilities for the quarter ended June 30, 2021				
Particulars	(Rupees in millions)			
	Quarter ended			Year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment revenue				
Security services - India	8,805.52	9,012.66	8,580.58	34,879.28
Security services – International	12,007.47	12,529.82	10,199.12	45,303.47
Facilities management	3,050.15	2,957.47	2,927.50	11,272.58
Less: Inter- segment elimination	-70.23	-47.90	-39.86	-182.29
Total revenue from operations	23,792.91	24,452.05	21,667.34	91,273.04
Segment EBITDA				
Security services – India	441.42	441.80	461.68	1,899.51
Security services – International	640.77	732.89	599.91	2,919.08
Facilities management	131.22	57.07	150.16	390.43
Less: Inter- segment elimination	-	1.68	-2.91	-1.22
Total EBITDA	1,213.41	1,233.44	1,208.84	5,207.80
Share of net profit / (loss) from associates	-6.35	6.85	-2.87	5.46
Other income and gains	112.18	653.79	-6.16	1,071.32
Other gains / (losses) and effect of entries resulting from consolidation and business combination accounting	-27.19	2,779.68	118.95	3,364.97
Finance costs	-245.60	-247.43	-303.89	-1,070.53
Depreciation	-239.37	-254.69	-236.16	-990.62
Unallocated corporate expenses	-	-	-	-
Exceptional items	-	-2,762.46	-	-2,762.46
Total profit before tax	807.08	1,409.18	778.71	4,825.94
Particulars	As at	As at	As at	As at
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
Segment assets	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Security services – India	19,793.77	21,874.45	20,527.19	21,874.45
Security services – International	22,801.36	23,178.49	23,890.47	23,178.49
Facilities management	5,573.55	5,345.29	5,652.48	5,345.29
Unallocated	-	-	-	-
Total	48,168.68	50,398.23	50,070.14	50,398.23
Segment liabilities				
Security services – India	11,889.96	13,442.50	12,580.04	13,442.50
Security services – International	15,396.32	15,680.66	19,345.82	15,680.66
Facilities management	3,125.63	2,946.71	3,215.51	2,946.71
Unallocated	-	-	-	-
Total	30,411.91	32,069.87	35,141.37	32,069.87

The Group is currently focused on three business groups, viz., Security Services (India), Security Services (International) and Facility Management. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them. The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Group Management Committee, which is the Chief Operating Decision Maker.

The business groups comprise the following:

- Security Services (India) – Guarding, Electronic security and home alarm monitoring and response services
- Security Services (International) – Guarding, Mobile patrols, Emergency medical response and rescue, Loss prevention and allied services
- Facilities Management – Housekeeping, Cleaning, Facility operation & management and Pest control services

For and on behalf of the Board of Directors of
SIS Limited



Rituraj Kishore Sinha
Managing Director



Place: New Delhi
Date: July 28, 2021