

Independent Auditors' Review Report on the Consolidated Quarterly and Half yearly Financial Results of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited') pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review report 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 quarter and six months ended September 30, 2021 attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

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 and 52 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 32 subsidiaries whose financial results reflects total assets of INR 30,639.47 Mn as at September 30, 2021, total revenue from operations of INR 15,133.20 Mn and INR 30,290.44 Mn, total net profit after tax of INR 516.30 Mn and INR 963.90 Mn and total comprehensive income of INR 563.32 Mn and INR 1,039.03 Mn for the quarter and six months ended September 30, 2021 respectively and net cash outflow of INR 257.53 Mn for the six months ended September 30, 2021, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of INR 7.54 Mn and INR 13.89 Mn for the quarter and six months ended September 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 2 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: 21082118AAAAVD5023
Place: - New Delhi
Date: - October 27, 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
14. ADIS Enterprises Private Limited
15. ONE SIS Solutions Private Limited
16. SIS Security International Holdings Pte. Ltd. (formerly known as 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. Southern Cross Protection Pty Ltd
26. Askara Pty Ltd
27. Charter Security Protective Services Pty Ltd
28. MSS AJG Pty Ltd
29. Platform 4 Group Ltd
30. SIS Henderson Holdings Pte Ltd
31. Henderson Security Services Pte Ltd
32. Henderson Technologies Pte Ltd
33. Triton Security Services Ltd
34. 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 and six months ended September 30, 2021							
SI No	Particulars	(Rupees in million except per share data)					
		Quarter ended			Six months ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income						
1	a) Revenue from operations	24,309.26	23,792.91	21,578.59	48,102.17	43,245.93	91,273.04
	b) Other income	57.07	104.02	86.19	161.09	183.77	1,198.60
	c) Other gains / (losses)	27.06	11.43	578.52	38.49	711.74	3,579.34
	Total Income (a + b + c)	24,393.39	23,908.36	22,243.30	48,301.75	44,141.44	96,050.98
	Expenses						
2	a) Cost of materials consumed	97.29	80.65	70.08	177.94	132.24	314.56
	b) Purchases of stock-in-trade	128.81	75.66	162.83	204.47	273.39	456.32
	c) Changes in inventories of stock-in-trade	11.63	-21.41	55.96	-9.78	37.06	29.66
	d) Employee benefits expense	19,066.29	18,530.73	16,713.22	37,597.02	33,599.43	70,564.79
	e) Finance costs	246.71	245.60	332.75	492.31	705.46	1,272.50
	f) Depreciation and amortization expenses	264.49	269.83	283.19	534.32	568.54	1,130.30
	g) Other expenses	3,774.73	3,913.87	3,279.82	7,688.60	6,698.29	14,699.91
	Total expenses (a + b + c + d + e + f + g)	23,589.95	23,094.93	20,897.85	46,684.88	42,014.41	88,468.04
3	Profit / (loss) before tax and exceptional items (1-2)	803.44	813.43	1,345.45	1,616.87	2,127.03	7,582.94
4	Share of profit / (loss) of associates / joint ventures	-7.54	-6.35	3.30	-13.89	0.43	5.46
5	Profit / (loss) before exceptional items and tax (3+4)	795.90	807.08	1,348.75	1,602.98	2,127.46	7,588.40
6	Exceptional items	0.00	0.00	0.00	0.00	0.00	2,762.46
7	Profit / (loss) before tax (5-6)	795.90	807.08	1,348.75	1,602.98	2,127.46	4,825.94
8	Tax expense / (credit)						
	Current tax	258.10	356.66	316.51	614.76	554.93	1,060.37
	Deferred tax	-146.05	-144.57	-48.59	-290.62	-87.02	93.47
	Total tax expense / (credit)	112.05	212.09	267.92	324.14	467.91	1,153.84
9	Profit / (loss) for the period (7-8)	683.85	594.99	1,080.83	1,278.84	1,659.55	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	-251.40	21.08	21.93	-230.32	474.82	757.43
	b) Income tax relating to these items	0.00	0.00	0.00	0.00	0.00	0.00
	Items that will not be reclassified to profit or loss:						
	a) Remeasurement of defined benefits plan	-10.32	12.39	5.91	2.07	10.78	-2.95
	b) Income tax relating to these items	2.60	-3.12	-1.49	-0.52	-2.71	0.74
	Other comprehensive income / (loss) for the period (net of taxes)	-259.12	30.35	26.35	-228.77	482.89	755.22
11	Total comprehensive income / (loss) for the period (9+10)	424.73	625.34	1,107.18	1,050.07	2,142.44	4,427.32
12	Non-controlling interests	1.45	2.85	5.74	4.30	13.43	17.71
13	Total comprehensive income / (loss) attributable to owners (11-12)	423.28	622.49	1,101.44	1,045.77	2,129.01	4,409.61
14	Paid-up equity share capital (face value of Rs. 5 per share)	734.28	733.64	733.87	734.28	733.87	741.51
15	Reserves i.e. Other equity	17,478.84	16,999.57	15,248.52	17,478.84	15,248.52	17,566.12
16	Earnings per share (EPS) (of Rs.5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Not Annualised)	(Not annualised)	(Annualised)
	(a) Basic (Rs.)	4.65	4.00	7.33	8.65	11.22	24.85
	(b) Diluted (Rs.)	4.60	3.95	7.21	8.55	11.05	24.73

Please see the accompanying notes to the financial results

SIS Limited

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

CIN: L75230BR1985PLC002083

Statement of consolidated assets and liabilities as at September 30, 2021

Particulars		(Rupees in million)	
		September 30, 2021 (Unaudited)	March 31, 2021 (Audited)
A	ASSETS		
	Non – current assets		
	Property, plant and equipment	2,467.51	2,564.11
	Capital work-in-progress	137.11	50.37
	Goodwill	11,107.82	11,413.21
	Other intangible assets	1,509.75	1,621.73
	Intangible assets under development	155.77	118.05
	Investments in associates and joint ventures	367.09	383.23
	Financial assets		
	(i) Investments	549.82	549.82
	(ii) Other non-current financial assets	557.03	560.97
	Deferred tax assets (net)	2,622.58	2,406.74
	Income tax assets (net)	1,903.04	1,586.68
	Other non – current assets	78.81	10.55
	Total non – current assets	21,456.33	21,265.46
	Current assets		
	Inventories	330.68	308.93
	Financial assets		
	(i) Investments	3.03	2.38
	(ii) Trade receivables	11,944.88	12,430.13
	(iii) Cash and cash equivalents	7,402.46	8,542.76
	(iv) Bank balances other than in (iii) above	809.67	2,337.61
	(v) Other current financial assets	5,322.55	4,330.66
	Other current assets	1,225.07	1,178.08
	Assets classified as held for distribution to shareholders of subsidiary	2.22	2.22
	Total current assets	27,040.56	29,132.77
	Total assets	48,496.89	50,398.23
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	734.28	741.51
	Other equity	17,478.84	17,566.12
	Equity attributable to owners	18,213.12	18,307.63
	Non-controlling interests	25.07	20.73
	Total equity	18,238.19	18,328.36
	Liabilities		
	Non – current liabilities		
	Financial liabilities		
	(i) Borrowings	2,462.44	7,420.78
	(ia) Lease Liabilities	887.26	914.21
	Provisions	1,514.59	1,413.85
	Deferred tax liabilities (net)	435.32	475.07
	Total non- current liabilities	5,299.61	10,223.91
	Current liabilities		
	Financial liabilities		
	(i) Borrowings	11,249.17	6,141.82
	(ia) Lease liabilities	245.05	253.20
	(ii) Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	49.67	20.11
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	410.86	641.36
	(iii) Other current financial liabilities	7,601.21	9,028.30
	Other current liabilities	1,405.70	1,563.22
	Provisions	3,771.34	3,689.43
	Current tax liabilities	223.27	505.70
	Liabilities classified as held for distribution to shareholders of subsidiary	2.82	2.82
	Total current liabilities	24,959.09	21,845.96
	Total liabilities	30,258.70	32,069.87
	Total equity and liabilities	48,496.89	50,398.23

SIS Limited
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna - 800010
CIN: L75230BR1985PLC002083

Consolidated statement of cash flows for the six months ended September 30, 2021

Particulars		(Rupees in million)	
		September 30 2021 (Unaudited)	September 30, 2020 (Unaudited)
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax	1,602.98	2,127.46
	Adjusted for:		
	Depreciation and amortization expenses	534.32	568.54
	Unrealised Foreign exchange (gain) / loss	-32.37	-305.42
	Net (gain) / loss on sale of property, plant and equipment	-6.11	-16.06
	Finance costs	492.31	705.46
	Interest income classified as investing cash flows	-161.11	-574.03
	Provision for doubtful debts	77.08	251.08
	Employee stock option compensation expense	55.27	7.96
	Other non-cash items	13.89	-0.43
	Operating profit / (loss) before changes in working capital	2,576.26	2,764.56
	Changes in working capital:		
	Decrease / (increase) in trade receivables	252.53	85.40
	Decrease / (increase) in inventories	-22.53	63.30
	Decrease / (increase) in other current assets	-95.13	-303.85
	Decrease / (increase) in other current financial assets	-952.11	-129.76
	(Decrease) / increase in trade payables	-195.96	125.26
	(Decrease) / increase in provisions	330.02	459.96
	(Decrease) / increase in other current liabilities	-157.23	-371.33
	(Decrease) / increase in other current financial liabilities	453.34	778.56
	Decrease / (increase) in other non-current assets	-31.67	8.68
	Decrease / (increase) in other non-current financial assets	7.86	-3.52
	(Decrease) / increase in other non-current financial liabilities	20.00	-122.62
	Cash (used in) / generated from operations	2,185.38	3,354.64
	Direct tax (paid), net of refunds	-1,197.48	65.67
	Net cash inflow / (outflow) from operating activities	987.90	3,420.31
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of property plant and equipment and changes in capital work-in-progress	-423.92	-246.71
	Proceeds from sale / disposal of property, plant and equipment	30.14	111.76
	Investments made	-1,777.79	-80.48
	(Investment) in / matured fixed deposits (net)	1,531.49	-192.55
	Decrease / (increase) in restricted balances	-5.47	1,675.89
	Interest received	154.21	158.00
	Dividend received	2.21	0.00
	Net cash inflow / (outflow) from investing activities	-489.13	1,425.91
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from issue of share capital (net of share issue expenses)	1.59	0.63
	Buy back of equity shares including transaction cost and tax	-1,241.57	0.00
	Foreign exchange gain / (loss) realized	-2.61	-1.98
	Proceeds from term loans	1,391.86	175.32
	Repayment of term loans	-223.91	-266.99
	Bonds/debentures issued / (repaid/redeemed)	-1,500.00	0.00
	Interest paid	-476.38	-556.25
	Changes in lease liability	-180.37	-179.19
	Net cash inflow / (outflow) from financing activities	-2,231.39	-828.46
D	Net increase / (decrease) in cash and cash equivalents (A+B+C)	-1,732.62	4,017.76
E	Cash and cash equivalents at the beginning of the period	4,318.00	-1,251.64
F	Translation adjustments	-161.82	229.90
G	Cash balances added on acquisition	0.00	0.00
	Cash and cash equivalents at the end of the period (D+E+F+G)	2,423.56	2,996.02

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprises of followings:			
		September 30 2021	September 30, 2020
	Cash and cash equivalents at the end of the period	7,402.46	8,039.21
	Cash credit	-4,978.90	-5,043.19
	Balances as per statement of cash flows	2,423.56	2,996.02

Notes to the consolidated financial results:

1. The Statement of consolidated financial results ("the Statement") of SIS Limited (the "Parent" or "Company") including its subsidiaries (collectively known as the "Group"), its associates and its jointly controlled entities for the quarter and six months ended September 30, 2021 have been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on October 27, 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 September 30, 2021, upon exercise of vested stock options by the eligible employees, the Parent has allotted 129,160 equity shares of INR 5 each. Consequent to the said allotments, the paid-up equity share capital of the Parent stands increased to INR 734,283,235 divided into 146,856,647 equity shares of INR 5 each.
4. During the quarter ended September 30, 2021, the Board appointed Mr. Rajan Verma and Mr. Ajay Kumar Relan as independent director effective July 28, 2021 based on the recommendations of the Nomination and Remuneration Committee of the Board. Mr. Ajay Kumar Relan passed away on October 1, 2021.
5. 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: October 27, 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 and six months ended September 30, 2021						
Particulars	(Rupees in million)					
	Quarter ended			Six months ended		Year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
Security services - India	9,453.26	8,805.52	8,391.69	18,258.78	16,972.27	34,879.28
Security services – International	11,563.40	12,007.47	10,677.29	23,570.87	20,876.41	45,303.47
Facilities management	3,363.30	3,050.15	2,556.75	6,413.45	5,484.25	11,272.58
Less: Inter- segment elimination	-70.70	-70.23	-47.14	-140.93	-87.00	-182.29
Total revenue from operations	24,309.26	23,792.91	21,578.59	48,102.17	43,245.93	91,273.04
Segment EBITDA						
Security services – India	391.49	441.42	487.88	832.91	949.56	1,899.51
Security services – International	684.72	640.77	746.94	1,325.49	1,346.85	2,919.08
Facilities management	154.30	131.22	61.85	285.52	212.01	390.43
Less: Inter- segment elimination	0.00	0.00	0.01	0.00	-2.90	-1.22
Total EBITDA	1,230.51	1,213.41	1,296.68	2,443.92	2,505.52	5,207.80
Share of net profit / (loss) from associates and joint ventures	-7.54	-6.35	3.30	-13.89	0.43	5.46
Other income and gains	94.23	112.18	76.90	206.41	70.74	1,071.32
Other gains / (losses) and effect of entries resulting from consolidation and business combination accounting	-40.12	-27.19	493.24	-67.31	612.19	3,364.97
Finance costs	-246.71	-245.60	-267.97	-492.31	-571.86	-1,070.53
Depreciation	-234.47	-239.37	-253.40	-473.84	-489.56	-990.62
Unallocated corporate expenses	0.00	0.00	0.00	0.00	0.00	0.00
Exceptional items	0.00	0.00	0.00	0.00	0.00	-2,762.46
Total profit before tax	795.90	807.08	1,348.75	1,602.98	2,127.46	4,825.94
Particulars	As at September 30, 2021	As at June 30, 2021	As at September 30, 2020	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment assets						
Security services - India	20,315.56	19,793.77	20,303.36	20,315.56	20,303.36	21,874.45
Security services – International	22,403.18	22,801.36	24,944.08	22,403.18	24,944.08	23,178.49
Facilities management	5,778.15	5,573.55	5,427.05	5,778.15	5,427.05	5,345.29
Unallocated	0.00	0.00	0.00	0.00	0.00	0.00
Total	48,496.89	48,168.68	50,674.49	48,496.89	50,674.49	50,398.23
Segment liabilities						
Security services – India	12,207.82	11,889.96	12,177.51	12,207.82	12,177.51	13,442.50
Security services – International	14,841.85	15,396.32	19,405.89	14,841.85	19,405.89	15,680.66
Facilities management	3,209.03	3,125.63	3,050.43	3,209.03	3,050.43	2,946.71
Unallocated	0.00	0.00	0.00	0.00	0.00	0.00
Total	30,258.70	30,411.91	34,633.83	30,258.70	34,633.83	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: October 27, 2021