

Independent Auditor's Review Report on the Standalone Quarterly and Nine months ended 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

**Review report to
The Board of Directors of
SIS Limited**

We have reviewed the accompanying unaudited Standalone financial results ("Results") of SIS Limited ("the Company"), for the quarter and nine months ended December 31, 2021 included in the accompanying Statements of Standalone Financial Results ("the Statements"), being submitted by the Company pursuant to the requirements 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 Company's Management and approved by the Board of Directors, has been compiled from the related interim standalone financial statements which have been prepared in accordance with the Indian Accounting Standards 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("Ind-AS") read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Dilip Kumar

CA. Dilip Kumar
(Partner)
M. No. 082118



UDIN: 22082118AAGRPS3501

Place: New Delhi

Date: February 3, 2022

SIS Limited

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

CIN: L75230BR1985PLC002083

Statement of standalone financial results for the quarter and nine months ended December 31, 2021

Sl. No.	Particulars	(Rupees in million except per share data)					
		Quarter ended			Nine months ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income						
1	a) Revenue from operations	8,516.52	8,129.66	7,687.49	24,232.42	22,287.37	30,040.79
	b) Other income	26.54	28.57	43.49	587.79	213.66	265.23
	c) Other gain / (loss)	-0.13	2.35	-3.44	2.35	-4.74	-2.34
	Total income (a + b + c)	8,542.93	8,160.58	7,727.54	24,822.56	22,496.29	30,303.68
	Expenses						
2	a) Purchases	64.90	153.66	89.29	276.57	313.32	385.15
	b) Change in inventory of stock-in-trade	-1.56	1.12	-7.32	-12.29	-28.42	-13.21
	c) Employee benefits expense	7,676.00	7,277.84	6,794.76	21,761.40	19,648.69	26,619.92
	d) Finance costs	139.16	139.07	158.48	420.08	549.42	702.08
	e) Depreciation and amortization expense	93.35	88.48	103.45	269.99	310.51	414.75
	f) Other expenses	391.58	364.15	351.86	1,086.23	1,013.14	1,338.93
	Total expenses (a + b + c + d + e + f)	8,363.43	8,024.32	7,490.52	23,801.98	21,806.66	29,447.62
3	Profit / (loss) before tax and exceptional items (1-2)	179.50	136.26	237.02	1,020.58	689.63	856.06
4	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
5	Profit / (loss) before tax (3-4)	179.50	136.26	237.02	1,020.58	689.63	856.06
6	Tax expense / (credit)						
	Current tax	-22.41	15.67	0.26	90.79	0.74	0.83
	Deferred tax	-77.88	-33.27	45.09	-141.74	193.56	284.30
	Total tax expense / (credit)	-100.29	-17.60	45.35	-50.95	194.30	285.13
7	Profit / (loss) for the period (5-6)	279.79	153.86	191.67	1,071.53	495.33	570.93
8	Other comprehensive income / (loss)						
	Items that will not be reclassified to profit or loss						
	a) Re-measurement of defined benefits plan	16.13	-6.72	-97.14	17.47	-87.03	-61.28
	b) Income tax relating to these items	-4.06	1.69	24.44	-4.40	21.90	15.42
	Other comprehensive income / (loss) for the period (net of taxes)	12.07	-5.03	-72.70	13.07	-65.13	-45.86
9	Total comprehensive income / (loss) for the period (7+8)	291.86	148.83	118.97	1,084.60	430.20	525.07
10	Paid-up equity share capital (face value of Rs. 5 per share)	734.51	734.28	737.55	734.51	737.55	741.51
11	Reserves i.e. Other equity	7,384.30	7,035.66	7,281.94	7,384.30	7,281.94	7,375.90
12	Earnings per share (EPS) (of Rs. 5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	(a) Basic (Rs.)	1.90	1.05	1.30	7.28	3.37	3.88
	(b) Diluted (Rs.)	1.88	1.04	1.29	7.20	3.34	3.86

Please see the accompanying notes to the financial results

Additional disclosure as per Clause 52 (4) and 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
a)	Outstanding redeemable preference shares (INR Mn)	Nil	Nil	Nil	Nil	Nil	Nil
b)	Debenture redemption reserve (INR Mn)	Nil	Nil	312.5	Nil	312.5	375.00
c)	Net worth (total equity) (INR Mn)	8118.81	7,769.94	8019.48	8118.81	8019.48	8,117.41
d)	Net profit after tax (INR Mn)	279.79	153.86	156.87	1071.53	495.33	570.93
e)	Basic earnings per share (Rs.) (of Rs. 5/- each)	1.9	1.05	1.07	7.28	3.37	3.88
f)	Debt-equity ratio (times)	0.86	0.85	0.82	0.86	0.82	0.93
g)	Debt service coverage ratio (times) *	1.68	1.45	0.62 [#]	1.59	0.58 [#]	0.56 [#]
h)	Interest service coverage ratio (times) *	2.28	1.85	2.36	2.13	1.97	1.95
i)	Current ratio (times)	1.28	1.30	1.16	1.28	1.16	1.41
j)	Long term debt to working capital (times) *	1.28	1.24	0.86	1.28	0.86	0.91
k)	Bad debts to account receivable ratio (%) *	-	-	-	-	-	-
l)	Current liability ratio (times)	0.66	0.65	0.82	0.66	0.82	0.68
m)	Total debts to total assets (times)	0.35	0.35	0.34	0.35	0.34	0.37
n)	Debtor's turnover (times) *	7.33	7.50	7.02	6.92	6.55	6.60
o)	Inventory turnover (times) *	1.52	3.57	1.43	2.02	1.91	2.12
p)	Operating margin (%)	4.53%	4.09%	5.97%	4.62%	6.02%	5.69%
q)	Net profit margin (%)	3.29%	1.89%	2.49%	4.42%	2.22%	1.90%

[#] Considering INR 1500 mn for NCD payment as current maturity of long-term debts.

*Ratios for the quarters / nine months period have been annualized

The Secured Rated Listed Redeemable Non-Convertible Debentures ("the Debentures") of face value of INR 1.00 million each, aggregating to INR 1,900 million are secured by way of security created over a portion of the Company's shareholding in one of its subsidiary company. The asset cover as on December 31, 2021 is more or equal to 4 times of the principal amount of the said secured non-convertible debentures.

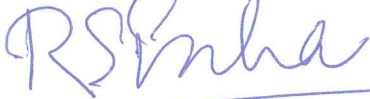
Formulae for computation of above ratios are as follows

Particulars	Details
a) Debt-equity ratio	Total debt/ Total Equity
b) Debt service coverage ratio	Profit before interest, tax and exceptional items/ (Interest expense + Current maturities of non-current borrowings)
c) Interest service coverage ratio	Profit before interest, tax and exceptional items/ Interest expense
d) Current ratio	Current assets/ Current liabilities
e) Long term debt to working capital	Non-current borrowings (including current maturities of non-current borrowings)/ (Current asset- Current liability (excluding current maturities of non-current borrowings))
f) Bad debts to account receivable ratio	Bad debt writes off during the period / Average Trade Receivable
g) Current liability ratio	Current liability/ Total liability
h) Total debts to total assets	Total debt/ Total assets
i) Debtors turnover	Revenue/ Average trade receivable
j) Inventory turnover	Cost of goods sold/ Average inventory
k) Operating margin	Profit before depreciation, interest, tax, and exceptional item less other income/ Revenue
l) Net profit margin	Profit after tax/ Revenue

Notes to the standalone financial results:

1. The Statement of unaudited standalone financial results ("the Statement") of the Company for the quarter and nine months ended December 31, 2021 has been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on February 3, 2022.
2. The standalone 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 December 31, 2021, upon exercise of vested stock options by the eligible employees, the Parent has allotted 44,960 equity shares of INR 5 each. Consequent to the said allotments, the paid-up equity share capital of the Parent stands increased to INR 734,508,035 divided into 146,901,607 equity shares of INR 5 each..
4. The Company 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 Company 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 Company expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
5. In accordance with Ind-AS 108, Operating segments, segment information has been provided in the unaudited consolidated financial results of the Group and, therefore, no separate disclosure on segment information is given in these standalone unaudited financial results.

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



Rituraj Kishore Sinha
Managing Director

Place: New Delhi
Date: February 3, 2022