

Independent Auditor's Review Report on the Standalone Quarterly and Year to Date Financial Results of 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
Security and Intelligence Services (India) Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Security and Intelligence Services (India) Limited ("the "Company"), for the quarter and nine months ended December 31, 2019 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on January 29, 2020. This statement has been compiled from the related unaudited interim standalone financial statements which has been prepared in accordance with Indian Accounting Standard 34, "Interim Financial Reporting" prescribed under Section 133 of Companies Act, 2013, 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 of 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 financial results prepared in accordance with applicable accounting standards 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 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)





CA. Dilip Kumar
(Partner)
Membership No. 82118
UDIN: 20082118AAAAAP8967

Place: New Delhi
Date: January 29, 2020

Security and Intelligence Services (India) Limited
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna - 800010
CIN: L75230BR1985PLC002083

Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2019

Sl. No.	Particulars	(Rupees in million except per share data)					
		Quarter ended			Nine months ended		Year ended
		December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	March 31, 2019 (Audited)
1	Income						
	a) Revenue from Operations	7,743.63	7,471.55	6,588.12	22,100.04	18,270.36	25,035.17
	b) Other Income	31.81	157.50	117.80	215.87	172.39	209.44
	c) Other Gain/loss	-2.42	3.70	6.20	3.36	6.67	5.44
	Total Income (a + b + c)	7,773.02	7,632.75	6,712.12	22,319.27	18,449.42	25,250.05
2	Expenses						
	a) Purchases	265.29	13.19	93.50	288.41	263.19	402.63
	b) Change in inventory of stock-in-trade	-151.76	86.79	-4.28	0.44	-30.61	-70.71
	c) Employee benefits expense	6,752.84	6,471.73	5,772.89	19,231.37	16,089.58	22,007.91
	d) Finance costs	193.20	192.95	131.19	547.63	330.30	475.43
	e) Depreciation and amortization expense	139.23	138.26	79.15	396.75	206.17	295.10
	f) Other expenses	384.52	425.57	323.35	1,133.95	933.56	1,262.19
	Total expenses (a + b + c + d + e + f)	7,583.32	7,328.49	6,395.80	21,598.55	17,792.19	24,372.55
3	Profit before tax and exceptional items (1-2)	189.70	304.26	316.32	720.72	657.23	877.50
4	Exceptional items	-	-	-	-	-	-
5	Profit before tax (3-4)	189.70	304.26	316.32	720.72	657.23	877.50
6	Tax expense / (credit)						
	Current tax	32.94	35.98	16.34	125.13	32.25	223.09
	Deferred tax	-209.87	-286.46	-74.70	-803.91	-183.65	-538.20
	Total Tax expense / (credit)	-176.93	-250.48	-58.36	-678.78	-151.40	-315.11
7	Profit for the period (5-6)	366.63	554.74	374.68	1,399.50	808.63	1,192.61
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	a) Remeasurement of Defined benefits plan	-23.96	-72.40	-23.06	-71.78	16.04	98.31
	b) Income tax relating to these items	8.37	25.30	8.06	25.08	-5.61	-34.35
	Other comprehensive income for the period (net of taxes)	-15.59	-47.10	-15.00	-46.70	10.44	63.96
9	Total comprehensive income for the period (7+8)	351.04	507.64	359.68	1,352.80	819.07	1,256.57
10	Paid-up equity share capital (face value of Rs. 10 per share) (refer note 5)	733.19	733.18	733.13	733.19	733.13	733.13
11	Reserves i.e. Other equity	7,662.90	7,302.54	6,098.21	7,662.90	6,098.21	6,550.97
12	Earnings Per Share (EPS) (of Rs. 10/- each) (refer note 5)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(not annualized)	(Annualized)
	(a) Basic (Rs)	5.00	7.57	5.11	19.09	11.04	16.28
	(b) Diluted (Rs)	4.92	7.45	5.03	18.78	10.87	16.02

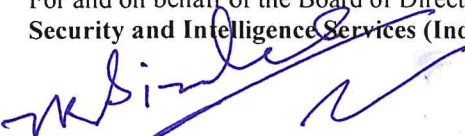
Please see the accompanying notes to the financial results



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, 2019 has been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on January 29, 2020.
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. Effective May 1, 2019, the Company acquired an additional 50% of the voting rights and shares, in addition to the 50% already held, directly and indirectly, in SIS Alarm Monitoring & Response Services Private Limited (formerly known as SIS Prosecur Alarm Monitoring & Response Services Private Limited) (“Alarms”) for an aggregate consideration of INR 200 million. Alarms was formerly a jointly controlled entity and, as a result, has now become a wholly owned subsidiary of the Group.
4. Effective July 30, 2019, the Company acquired all of the remaining shareholding of 6.94% in Dusters Total Solutions Services Private Limited (“DTSS”), a subsidiary of the Company, for an aggregate consideration of INR 525.95 million which resulted in DTSS becoming a wholly owned subsidiary of the Company.
5. Pursuant to the Special Resolution passed by the shareholders by way of postal ballot on December 17, 2019, the company has sub-divided 1 (one) equity share of face value of INR 10 each, fully paid up into 2 (two) equity shares of face value of INR 5 each, fully paid up, effective from January 16, 2020 as the record date. Consequent to the sub-division of equity shares, 146,636,874 equity shares of face value of INR 10 each has been sub-divided into 146,637,974 equity shares of face value of INR 5 each. As the sub-division will be given effect to after the record date i.e. subsequent to the balance sheet date, the same is not reflected in the financial results for the quarter and nine month period ended December 31, 2019.
6. During the quarter ended December 31, 2019, upon exercise of vested stock options by the eligible employees the Company has allotted 550 equity shares of INR 10 each. Consequent to the said allotment, the paid-up equity share capital of the Company stands increased from INR 733,184,370 divided into 73,318,437 equity shares of INR 10 each to 733,189,870 divided into 73,318,987 equity shares of INR 10 each.
7. Effective April 1, 2019, the Company adopted Ind AS 116 “Leases”, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the comparatives have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right of use asset (‘RoU’) of INR 326.90 million and a lease liability of INR 376.20 million. The cumulative effect of applying the standard resulted in INR 19.23 million being debited to retained earnings, net of taxes. The effect of this adoption is not significant on the profit for the period and earnings per share.
8. The following changes in the Board of Directors took place during the quarter ended December 31, 2019:
 - a. The Board appointed Mr. Sunil Srivastav as an Additional Director (Independent) effective October 24, 2019 based on the recommendations of the Nomination and Remuneration Committee of the Board.
 - b. Mr. Arun Kumar Batra, Independent Director has resigned as a Director effective October 24, 2019 due to pre-occupations.
9. In accordance with Ind-AS 108, Operating segments, segment information has been provided in the unaudited consolidated financial results of the Company 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
Security and Intelligence Services (India) Limited


Ravindra Kishore Sinha
Chairman

Place: New Delhi
Date: January 29, 2020

