



SIS LIMITED

(Formerly known as Security and Intelligence Services (India) Limited)

CIN - %L75230BR1985PLC002083

**Registered Office- Annapoorna Bhawan, Telephone Exchange Road, Kurji,
Patna- 800 010**

Ph. No. +91 612 226 6666 Fax. +91 612 226 3948

Website: www.sisindia.com; E-mail: shareholders@sisindia.com

POSTAL BALLOT NOTICE

Pursuant to Sections 108 and 110 of the Companies Act, 2013, as amended, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and MCA Circulars (as defined below)

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“**Act**”), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020 and Circular No. 39/2020 dated 31st December, 2020, in relation to “clarification on passing of ordinary and special resolutions by companies under the Act and the rules made thereunder” issued by the Ministry of Corporate Affairs (collectively, “**MCA Circulars**”), that the resolutions provided below for (i) issue of Secured Redeemable Rated Listed Non-convertible Debentures upto INR 250 Crores on private placement basis in one or more tranches and (ii) buyback by the Company of up to 18,18,181 fully paid up equity shares having a face value of INR 5/- each (“**Equity Shares**”), at a price of INR 550/- per Equity Share, on a proportionate basis through the “tender offer” route in accordance with the Act and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (“**SEBI Buyback Regulations**”) are proposed to be passed as Special Resolutions by the Members of SIS Limited (“**Company**”) through Postal Ballot only by voting through electronic means (“**remote e-voting**”).

SPECIAL BUSINESS:

Item No. 1: Issue of Secured Redeemable Rated Listed Non-Convertible Debentures upto INR 250,00,00,000 on private placement basis in one or more tranches.

To consider and, if thought fit, to pass with or without modification (s), the following as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Issue

and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, both as amended from time to time, and other applicable laws, and the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s) and permission(s) as may be necessary, the consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for issuing, making offer(s) or invitation(s) to subscribe to Secured Redeemable Rated Listed Non-Convertible Debentures ("NCDs") on private placement basis, in one or more series or tranches, to the eligible investors upto an amount not exceeding INR 250,00,00,000 (Indian Rupees Two Hundred and Fifty Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and are hereby authorised to (including delegating the power to) do, from time to time, all such acts, deeds and things as may be deemed necessary pre and post the issue, in respect of issue of NCDs, including but not limited to, number of issues/tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security/charge creation, coupon/interest rate, yield, listing, allotment, and agreeing to and negotiating other terms and conditions of issue of NCDs as proper and most beneficial to the Company and all matters connected with or incidental thereto, as they may, in their absolute discretion, deem necessary for this purpose."

Item No. 2: Buyback of up to 18,18,181 Equity Shares at a price of INR 550/- per Equity Share, on a proportionate basis, through the "tender offer" route in accordance with the Act and the SEBI Buyback Regulations

To consider and, if thought fit, to pass with or without modification (s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to Article 9.5 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 108, 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the "**Companies Act**") read with the Companies (Share Capital and Debentures) Rules, 2014 (to the extent applicable) (hereinafter referred to as the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 and other relevant rules made thereunder, each as amended from time to time and the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("**SEBI Buyback Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") (including re-enactment of the Companies Act or the rules made thereunder or the SEBI Buyback Regulations, or the SEBI Listing Regulations) and subject to such other approvals, permissions, consents, sanctions and exemptions of Securities and Exchange Board of India ("**SEBI**"), Reserve Bank of India ("**RBI**") and/ or other authorities, institutions or bodies (together with SEBI and RBI, the "**Appropriate Authorities**"), and any other approvals, as may be required, and subject to any conditions, alterations, amendments and modifications as may be prescribed or imposed by them while granting such approvals, permissions, consents, sanctions and exemptions and which may be agreed to by the board of directors of the Company ("**Board**", which term shall be deemed to include any committee of the Board and/ or officials, which the Board may constitute/authorise to exercise its powers, including the powers conferred by this resolution), the consent of the shareholders be and is hereby accorded for the buyback by the Company of up to 18,18,181 fully paid up equity shares having a face value of INR 5/- each ("**Equity Shares**"), (representing 1.24% of the total

number of Equity Shares in the total paid-up equity capital of the Company as of March 31, 2020), at a price of INR 550/- (Indian Rupees Five Hundred and Fifty Only) per Equity Share (“**Buyback Offer Price**”), which represents a premium of 30.35% and 30.83% over the closing price of the Equity Shares on National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**”) on February 9, 2021 being the day preceding the date when intimation for the Board meeting was sent to NSE and BSE, payable in cash for an aggregate amount not exceeding INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) (such maximum amount hereinafter referred to as the “**Buyback Offer Size**”), which excludes any expenses incurred or to be incurred for the buyback viz. brokerage, costs, fees, turnover charges, taxes such as buyback tax, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges (“**Transaction Costs**”), and which represents 14.13% and 7.47% of the aggregate of the Company’s paid-up capital and free reserves as per the standalone and consolidated audited financials of the Company for the year ended as on March 31, 2020 respectively, from all the shareholders/beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group, as on a record date to be subsequently decided by the Board (“**Record Date**”), through the “tender offer” route, on a proportionate basis as prescribed under the SEBI Buyback Regulations (hereinafter referred to as the “**Buyback**”).

RESOLVED FURTHER THAT as required under Regulation 6 of the SEBI Buyback Regulations, the Company may buyback Equity Shares from the existing shareholders as on Record Date, on a proportionate basis, provided that 15% of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders as defined in the SEBI Buyback Regulations (“**Small Shareholders**”), whichever is higher, shall be reserved for the small shareholders as defined in the SEBI Buyback Regulations.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the “*Mechanism for acquisition of shares through Stock Exchange*” as notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI’s circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, or such other circulars or notifications, as may be applicable and the Company shall approach either BSE Limited or the National Stock Exchange Limited, as may be required, for facilitating the same.

RESOLVED FURTHER THAT the Buyback from shareholders/ beneficial owners who are persons resident outside India, including the foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indians, etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended and the rules, regulations framed thereunder, Income Tax Act, 1961 and rules framed there under, as amended if any.

RESOLVED FURTHER THAT the Board be and is hereby authorized to give effect to the aforesaid resolutions and may delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any director(s)/ officer(s)/ authorised representative(s)/ committee i.e., Buyback Committee of the Company in order to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of Buyback, the mechanism for the Buyback, the schedule of activities, the dates of opening and closing of the Buyback, record date, entitlement ratio, the timeframe for completion of the Buyback;

appointment of designated stock exchange and other intermediaries/ agencies, as may be required, for the implementation of the Buyback; preparation, approving, signing and filing of the public announcement, the draft letter of offer, letter of offer and post-buyback public announcement with the SEBI, BSE, NSE and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI, RBI under the Foreign Exchange Management Act, 1999, as amended and the rules, regulations framed thereunder; and to initiate all necessary actions with respect to opening, operation and closure of necessary accounts including escrow account with a bank, entering into agreement(s), release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of Equity Shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the common seal of the Company, as may be required to be filed in connection with the Buyback with the SEBI, RBI, BSE, NSE, Registrar of Companies, Depositories and/ or other regulators and statutory authorities as may be required from time to time.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer, or confer any obligation on the Company or the Board or the Buyback Committee to buyback any Equity Shares, or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if permitted by law.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or the Buyback Committee be and are hereby severally empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Registered Office:
Annapoorna Bhawan
Telephone Exchange Road, Kurji
Patna – 800 010

Place : Bangalore
Date : February 15, 2021

By Order of the Board
For **SIS Limited**

Pushpalatha Katkuri
Company Secretary

NOTES:

- a. The Explanatory Statement pursuant to Sections 102 of the Companies Act, 2013 (“Act”) and Regulation 5(iv) read with Schedule I to the SEBI Buyback Regulations stating all material facts and the reasons for the proposal is annexed hereto.
- b. In compliance with the MCA Circulars, this Postal Ballot notice (“Notice”) is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Accordingly, the communication of the assent or dissent of the Members would only take place through the remote e-voting system. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes below to receive this Notice and login ID and password for remote e-voting.
- c. The Notice is available on the Company’s website www.sisindia.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited (“CDSL”) www.evotingindia.com.
- d. Members whose names appear in the Register of Members/Register of Beneficial Owners as on Friday, February 12, 2021 (“cut-off date”) will be entitled to cast their votes by e-voting. The voting rights for the equity shares of the Company are one vote per equity share, registered in the name of the Member(s). Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Members(s) as on the cut-off date.
- e. If your e-mail address is not registered with the Company/Depositories, you may register on or before Saturday, March 13, 2021, to receive this Notice and the procedure for remote e-voting along with the login ID and password for remote e-voting by completing the process for registration of e-mail address as under:
 - a. Visit the link https://linkintime.co.in/EmailReg/Email_Register.html
 - b. Select ‘SIS Limited’ from drop down box.
 - c. Enter the DP ID, Client ID (in case shares are held in Electronic form), Folio number and Certificate number (in case shares are held in Physical form).
 - d. Enter your name, PAN, Mobile Number, and e-mail address.
 - e. Click on continue button.

After successful registration of the e-mail address, a copy of this Notice along with the remote e-voting user ID and password will be sent to your registered e-mail address.

Members holding Equity Shares in physical mode and who have not updated/registered their e-mail addresses with the Company can also update/register their e-mail address by writing at shareholders@sisindia.com along with a copy of signed request letter mentioning the name and address of the shareholder, self attested PAN/any other identity and address proof. Members can also send request along with these documents to the Company at its registered office address or to Registrar and Share transfer agent C-101, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Members holding Equity Shares in dematerialized mode can also register/update their e-mail addresses with their depositories participants. In case of any queries, Members may write to shareholders@sisindia.com.

- f. The Board of Directors in their meeting held on February 15, 2021 had appointed Mr. Sudhir V Hulyalkar (FCS No. 6040, CP No. 6137), Company Secretary in Practice, as the

Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

- g. The Scrutinizer will submit his report to the Chairman, or any other person authorised by the Chairman, after completion of the scrutiny of the votes cast through e-voting. Based on the Scrutinizer's Report, the Results of the e-voting will be declared on or before Monday, March 22, 2021. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website under the section 'Investors' and will also be forwarded to the National Stock Exchange of India Limited and the BSE Limited, where the Company's shares are listed. CDSL engaged by the Company for facilitating e-voting, will also display these Results on its website www.evotingindia.com.
- h. The Resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for e-voting i.e., Saturday, March 20, 2021.

i. **INSTRUCTIONS FOR E-VOTING:**

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Act, read with the relevant Rules, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its members.

The instructions for members voting electronically are as follows:

- (i) The voting period will begin on Friday, February 19, 2021 (from 09:00 hrs IST) and will end on Saturday, March 20, 2021 (at 17:00 hrs IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The cut-off date for e-voting facility is Friday, February 12, 2021, and members whose names appear in the register of members of the Company/in the register of beneficial owners maintained by the Depositories will be entitled to avail the service.
- (iii) The members should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders / Members" tab.
- (v) Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the company selection screen. However, members holding shares in DEMAT form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Select EVSN of “SIS Limited”.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take-out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If DEMAT account holder has forgotten the changed login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xix) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Institutional Members (Non-Individual and Custodians)
- Institutional members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 2305 8738) or Mr. Mehboob Lakhani (022-2305 8543) or Mr. Rakesh Dalvi (022-23058542).

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1 - Issue of Secured Redeemable Rated Listed Non-Convertible Debentures upto INR 250,00,00,000 on private placement basis in one or more tranches

The Company proposes to raise funds by issue of Secured Redeemable Rated Listed Non-Convertible Debentures (“NCD’s”) on private placement basis in one or more tranches to the eligible investors viz., domestic entities/NBFCs/Mutual Funds up to INR 250 crores to fund its growth plans and repay certain outstanding borrowings.

Subject to the approval of the shareholders, the Board has, in its meeting held on February 03, 2021, approved to issue NCDs for an amount aggregating upto INR 250 Crores on private placement basis, in one or more tranches or series on such terms and conditions as may be determined by the Board.

Pursuant to the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the company shall obtain prior approval of the shareholders by way of a special resolution for offering or making an invitation to subscribe to NCDs on private placement basis and the resolution shall be valid for a period of one year for all the offers or invitations made for such NCDs during that year.

The proposed borrowings along with the existing borrowings of the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) would not exceed the borrowing limit approved by the shareholders i.e., INR 1,500 Crores.

Accordingly, the approval of the shareholders is being sought by way of special resolution for the proposed issue of NCDs and for authorising the Board and/or a Committee thereof to issue NCDs on the terms and conditions as may be deemed appropriate by the Board/Committee.

The Board recommends the resolution as set out at Item No. 1 as a Special Resolution, for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is in any way, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company.

ITEM NO. 2 - Buyback of up to 18,18,181 Equity Shares at a price of INR 550/- per Equity Share, on a proportionate basis, through the “tender offer” route in accordance with the Act and the SEBI Buyback Regulations

- (i) The board of directors of the Company (“**Board**”) at its meeting held on February 15, 2021 (“**Board Meeting**”) has, subject to the approval of the shareholders of the Company by way of a special resolution through the postal ballot (by remote e-voting) and subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws and such other approvals as may be required, approved the buyback by the Company of up to 18,18,181 fully paid-up equity shares having a face value of INR 5/- (Indian Rupees Five Only) each (“**Equity Shares**”), (representing 1.24% of the total number of Equity Shares in the total paid-up equity capital of the Company as of March 31, 2020), at a price of INR 550/- (Indian Rupees Five Hundred and Fifty only) per Equity Share (“**Buyback Offer Price**”), which represents a premium of 30.35% and 30.83% over the closing price of the Equity Shares on the National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**”) on February 9, 2021 being the day preceding the date when intimation for the Board meeting was sent to NSE and BSE, payable in cash for an aggregate amount not exceeding INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) (such maximum amount hereinafter referred to as the “**Buyback Offer Size**”), which excludes any expenses incurred or to be incurred for the buyback viz. brokerage, costs, fees, turnover charges, taxes such as buyback tax, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges (“**Transaction Costs**”), and which represents 14.13% and 7.47% of the aggregate of the Company’s paid-up capital and free reserves as per the standalone and consolidated audited financials of the Company for the year ended as on March 31, 2020 respectively, from all the shareholders/ beneficial owners of the Equity Shares of the Company, including promoters and members of the promoter group, as on a record date to be subsequently decided by the Board (“**Record Date**”), through the “tender offer” route, on a proportionate basis, in accordance with the Companies Act and Rules issued thereunder, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), the SEBI Buyback Regulations read with SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and SEBI circular CFD/DCRZ/CIR/P/2016/131 dated December 9, 2016 and such other circulars or notifications (“**SEBI Circulars**”), as may be applicable (hereinafter referred to as the “**Buyback**”).
- (ii) As per the relevant and other applicable provisions of Companies Act and SEBI Buyback Regulations, this Explanatory Statement contains relevant and material information to enable the shareholders holding Equity Shares of the Company to consider and approve the special resolution for the Buyback of the Company’s Equity Shares.
- (iii) Since the Buyback Offer Size is more than 10% of the total paid-up capital and free reserves of the Company, in terms of Section 68(2)(b) of the Companies Act and Regulation 5(i)(b) of the SEBI Buyback Regulations, it is necessary to obtain consent of the shareholders of the Company, for the Buyback, by way of a special resolution. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution. Requisite details relating to the Buyback are given below:
- (a) **Necessity for the Buyback**

The Buyback is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term and for returning surplus funds to the members in an effective and efficient manner. The Board at its meeting held on February 15, 2021 considered the accumulated free reserves as well as the cash liquidity reflected in the latest available standalone and consolidated audited financial statements as on March 31, 2020 and also as on the date of the Board Meeting and considering these, the Board decided to allocate up to INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) excluding the Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buyback. The Buyback will help the Company achieve the following objectives: (i) optimize returns to shareholders; and (ii) enhance overall shareholders' value.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend a Buyback of Equity Shares at a price of INR 550/- (Indian Rupees Five Hundred and Fifty Only) per Equity Share for an aggregate amount not exceeding INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only). The Buyback is being undertaken, inter-alia, for the following reasons:

- (i) The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- (ii) The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback Regulations, would involve allocation of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the SEBI Buyback Regulations;
- (iii) The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and
- (iv) The Buyback gives an option to the shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment.

The Buyback may lead to reduction in outstanding Equity Shares, improvement in earnings per equity share, and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations and for continued capital investment, as and when required.

(b) Maximum amount required for Buyback, its percentage of the total paid-up capital and free reserves and source of funds from which Buyback would be financed

- (i) The maximum amount required for Buyback will not exceed INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) excluding the Transaction Costs, being 14.13% and 7.47%

of the total paid-up capital and free reserves as on March 31, 2020 on a standalone and consolidated financial statements of the Company basis, respectively, which is not exceeding 25% of the aggregate of the total paid-up capital and free reserves of the Company as per latest available standalone and consolidated audited financials of the Company as on March 31, 2020.

- (ii) The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the SEBI Buyback Regulations or the Companies Act. The funds borrowed, if any, from banks and financial institutions will not be used for the Buyback.
- (iii) The Company shall transfer from its free reserves and/ or securities premium account a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and details of such transfer shall be disclosed in its subsequent audited financial statement.

(c) Buyback Offer Price and the basis of arriving at the price of the Buyback.

- (i) The Equity Shares of the Company are proposed to be bought back at a price of INR 550/- (Indian Rupees Five Hundred and Fifty Only) per Equity Share. The Buyback Offer Price has been arrived at, after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.
- (ii) The Buyback Offer price represents:
 - Premium of 30.20% and 34.91% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, during the three months preceding February 10, 2021, being the date of intimation to NSE and BSE for the Board Meeting to consider the proposal of the Buyback ("**Intimation Date**").
 - Premium of 34.10% and 36.28% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, for two weeks preceding the Intimation Date.
 - Premium of 34.29% and 34.11% over the closing price of the Equity Shares on NSE and BSE, respectively, as on the Intimation Date.
 - Premium of 30.35% and 30.83% over the closing price of the Equity Shares on NSE and BSE, respectively, as on February 9, 2021, being the day preceding the Intimation Date.

(d) Maximum number of Equity Shares that the Company proposes to Buyback

The Company proposes to Buyback up to 18,18,181 Equity Shares of the Company, representing 1.24% of the total number of Equity Shares in the total paid-up equity capital of the Company as of March 31, 2020.

(e) Method to be adopted for the Buyback

- (i) The Buyback shall be on a proportionate basis from all the shareholders holding Equity Shares (both physical and dematerialized Equity Shares) of the Company, as on the record date as decided by the Board, through the “tender offer” route, as prescribed under the SEBI Buyback Regulations, to the extent permissible, as prescribed under the “*Mechanism for acquisition of shares through Stock Exchange*” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI’s circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016. The Buyback will be implemented in accordance with the Companies Act, to the extent applicable, and the SEBI Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.
- (ii) As required under the SEBI Buyback Regulations, the Company will announce a record date (the “**Record Date**”) for determining the names of the shareholders holding Equity Shares of the Company who will be eligible to participate in the Buyback.
- (iii) In due course, each shareholder as on the Record Date will receive a Letter of Offer along with a Tender Form indicating the entitlement of the shareholder for participating in the Buyback.
- (iv) The Equity Shares to be bought back as a part of the Buyback is divided in two categories:
 - Reserved category for small shareholders; and
 - General category for all other shareholders.
- (v) As defined in Regulation 2(i)(n) of the SEBI Buyback Regulations, a “small shareholder” is a shareholder who holds Equity Shares having market value, on the basis of closing price on stock exchanges in which the highest trading volume in respect of such Equity Shares as on Record Date, is not more than INR 2,00,000/- (Indian Rupees Two Lakh Only).
- (vi) In accordance with the proviso to Regulation 6 of the SEBI Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”.
- (vii) Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.
- (viii) Shareholders’ participation in Buyback will be voluntary. Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Shareholders holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

- (ix) The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.
- (x) The Buyback from shareholders who are persons resident outside India, including the foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indian, etc., shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, and such approvals shall be required to be taken by such non-resident shareholders.
- (xi) Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant timetable will be included in the Letter of Offer which will be sent in due course to the shareholders holding Equity Shares of the Company as on the Record Date.

(f) Time limit for completing the Buyback

The Buyback is proposed to be completed within a period of one year from the date of special resolution approving the proposed Buyback.

(g) Compliance with Section 68(2)(c) of the Act

The aggregate paid-up capital and free reserves (including securities premium) as per the latest available standalone and consolidated audited financial statements of the Company as on March 31, 2020 is INR 70,763.9 Lakhs/- (Indian Rupees Seventy Thousand Seven Hundred Sixty Three Lakhs Ninety Thousand Only) and INR 1,35,678.2 Lakhs (Indian Rupees One Lakh Thirty Five Thousand Six Hundred Seventy Eight Lakhs and Twenty Thousand Only), respectively. Under the provisions of the Companies Act and the SEBI Buyback Regulations, the Buyback shall be 25% or less of the aggregate of the paid-up capital and free reserves (including securities premium) of the Company as per the last audited standalone and consolidated financial statements of the Company as on March 31, 2020 (the latest standalone audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback). The maximum amount proposed to be utilized for the Buyback, is not exceeding INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) and is therefore within the above-mentioned limit.

Further, under the Companies Act and SEBI Buyback Regulations, the number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total paid-up equity capital of the Company in that financial year. The number of Equity Shares proposed to be purchased under the Buyback i.e., 18,18,181 Equity Shares does not exceed 25% of the total number of Equity shares in the total paid-up equity capital of the Company as of March 31, 2020.

(h) Details of holding and transactions in the Equity Shares of the Company

- i. The aggregate shareholding of the promoter, members of the promoter group, directors of the promoter and members of the promoter group, where such promoter or promoter group entity is a Company and of persons who are in control of the Company, as on the date of this Postal Ballot Notice is as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of paid up equity share capital
1	Mr. Ravindra Kishore Sinha	5,87,27,312	39.71
2	Mrs. Rita Kishore Sinha	2,42,22,110	16.38
3	Mr. Rituraj Kishore Sinha	1,64,20,380	11.10
4	Ms. Rivoli Sinha	48,18,953	3.26
5	Ms. Pallavi Sinha	2,24,320	0.15
6	RKS JV Trust (held by Ms. Pallavi Sinha in her capacity as the trustee)	62,364	0.042
7	Vocational Skills Council India Private Limited	36,01,252	2.44
8	Mr. Vikash Kishore Prasad	13,750	0.01
9	Mr. Satyendra Kishore	11,000	0.01
10	Mr. Vishan Narain Khanna	8,500	0.01

- ii. None of the directors of the Company (“**Directors**”) or key managerial personnel of the Company (“**KMPs**”) hold any Equity Shares in the Company, as on the date of this Postal Ballot Notice for Buyback except for the following:

Sr. No.	Name of the Shareholder	Designation	Number of Equity Shares	% of paid up equity share capital
1.	Mr. Rituraj Kishore Sinha	Managing Director	1,64,20,380	11.10
2.	Mr. Ravindra Kishore Sinha	Chairman cum Executive Director	5,87,27,312	39.71
3.	Ms. Rita Kishore Sinha	Non-Executive Director	2,42,22,110	16.38
4.	Mr. Uday Singh	Non-Executive Director	5,24,594	0.35
5.	Mr. Arvind Kumar Prasad	Director – Finance	3,30,400	0.22
6.	Mr. Devesh Desai	Chief Financial Officer	1,04,893	0.07
7.	Mr. Brajesh Kumar	CFO (Security Solutions & Facility Management)	9,800	0.007
8.	Ms. Pushpalatha Katkuri	Company Secretary and Compliance Officer	4,400	0.003

- iii. Except as disclosed below, no Equity Shares or other specified securities in the Company were either purchased or sold (either through the stock exchanges or off market transaction) by any of the promoters, members of the promoter group, directors of the promoter and promoter group, where such promoter or promoter group entity is a Company and of persons who are in control of the Company during a period of six months preceding the date of the board meeting till the date of this Postal Ballot Notice for Buyback:

Sr. No.	Name of shareholder	Aggregate number of Equity Shares purchased/sold	Nature of transaction	Minimum Price per share (INR)	Date of Minimum Price	Maximum Price per share (INR)	Date of Maximum Price
1	Mr. Ravindra Kishore Sinha	540,000	Sale	390.00	28-08-2020	418.90	28-08-2020
2	Mr. Rituraj Kishore Sinha	275,000	Sale	390.00	28-08-2020	418.90	28-08-2020
3	Ms. Rivoli Sinha	2,126	Purchase	363.00	13-11-2020	376.00	13-11-2020
		267	Purchase	372.55	20-11-2020	388.85	20-11-2020
		1,000	Sale	433.00	01-12-2020	472.95	01-12-2020
4	Ms. Pallavi Sinha	4,224	Purchase	363.00	13-11-2020	376.00	13-11-2020
5	Mr. Satyendra Kishore	1,600	Sale	390.00	28-08-2020	418.90	28-08-2020
6	Mr. Vishan Narain Khanna	1,000	Sale	436.00	27-11-2020	450.00	27-11-2020
		500	Purchase	405.50	05-02-2021	420.00	05-02-2021

(i) Intention of the promoters and members of the promoter group to participate

In terms of the SEBI Buyback Regulations, under the tender offer method, the Promoters and members of the promoter group, and persons in control of the Company have an option to participate in the Buyback. In this regard, certain Promoters and members of the promoter group (who are the persons in control) have expressed their intention to participate in the Buyback, and they may tender up to a maximum number of Equity Shares as detailed below or such lower number of Equity Shares as permitted under applicable law:

S. No.	Name of the Promoter/ Promoter Group	Maximum number of Equity Shares which may be tendered
1)	Mr. Ravindra Kishore Sinha	7,21,971
2)	Mr. Rituraj Kishore Sinha	2,01,866
3)	Mrs. Rita Kishore Sinha	2,97,777
4)	Ms. Rivoli Sinha	59,242
5)	Ms. Pallavi Sinha	2,758
6)	Mr. Satyendra Kishore	135
7)	Mr. Vishan Narain Khanna	104
8)	Mr. Vikash Kishore Prasad	169
9)	Vocational Skills Council India Private Limited	44,272
Total		13,28,294

The details of the date and price of acquisition of the said Equity Shares that the promoters and members of the promoter group intend to tender in the Buyback are set forth below:

Ravindra Kishore Sinha						
Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
1	02-01-1985	108	100	Subscription to the MoA	10,800	108
2	04-04-1988	662	100	Preferential allotment	66,200	770
3	21-04-1994	1,155	100	Preferential allotment	1,15,500	1,925
4	30-01-1996	800	100	Preferential allotment	80,000	2,725
5	12-10-2000	10,850	100	Preferential allotment	10,85,000	13,575
6	27-09-2003	6,598	100	Preferential allotment	6,59,800	20,173
7	26-03-2004	450	100	Preferential allotment	45,000	20,623
8	10-06-2004	2,500	100	Preferential allotment	2,50,000	23,123
9	31-03-2005	16,427	100	Purchase	-*	39,550
10	31-07-2005	73,725	100	Purchase	-*	1,13,275
11	30-09-2005	Split (from INR 100 to INR 10)				11,32,750
12	25-10-2005	11,32,750	10	Bonus	0	22,65,500
13	31-03-2006	5,79,000	10	Preferential allotment	57,90,000	28,44,500
14	25-04-2007	15,500	10	Purchase	- *	28,60,000
15	10-01-2008	(50,000)	10	Sale	1,15,00,000	28,10,000
16	03-05-2008	(17,000)	10	Sale	-*	27,93,000
17	03-05-2008	(35,000)	10	Sale	-*	27,58,000
18	03-05-2008	19,400	10	Purchase	-*	27,77,400
19	15-06-2011	(29,923)	10	Sale	1,50,00,101	27,47,477
20	30-10-2012	(5,985)	10	Sale	29,99,981	27,41,492
21	23-04-2013	(1,44,684)	10	Sale	29,10,00,036	25,96,808
22	21-09-2016	2,59,68,080	10	Bonus	0	2,85,64,888
23	03-08-2017	18,55,285	10	Purchase	0	3,04,20,173
24	10-08-2017	(7,86,517)	10	Sale	64,10,11,355	2,96,33,656
25	16-01-2020	Split (from INR 10 to INR 5)				5,92,67,312
26	28-08-2020	(5,40,000)	5	Sale	21,07,86,739	5,87,27,312

*The acquisition price/sale price and nature of consideration for these transfers is not mentioned due to non-availability of transfer deeds.

Rituraj Kishore Sinha

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
1	16-02-1999	360	100	Preferential allotment	36,000	360
2	12-10-2000	250	100	Preferential allotment	25,000	610
3	27-09-2003	2,868	100	Preferential allotment	2,86,800	3,478
4	26-03-2004	450	100	Preferential allotment	45,000	3,928
5	31-03-2005	8,770	100	Purchase	-*	12,698
6	31-07-2005	16,649	100	Purchase	-*	29,347
7	30-09-2005	Split (from INR 100 to INR 10)				2,93,470

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
8	25-10-2005	2,93,470	10	Bonus	0	5,86,940	
9	10-01-2008	(33,913)	10	Sale	77,99,990	5,53,027	
10	31-12-2011	1,05,400	10	Inter-se transfer amongst promoters	-	6,58,427	
11	31-12-2013	(6,175)	10	Sale	56,65,995	6,52,252	
12	18-03-2015	216	10	Purchase	7,00,000	6,52,468	
13	18-03-2015	125	10	Purchase	4,05,093	6,52,593	
14	23-04-2015	155	10	Purchase	5,02,200	6,52,748	
15	16-06-2015	125	10	Purchase	4,05,093	6,52,873	
16	09-09-2015	285	10	Purchase	9,23,500	6,53,158	
17	02-12-2015	150	10	Purchase	4,86,000	6,53,308	
18	02-12-2015	125	10	Purchase	4,05,000	6,53,433	
19	28-01-2016	75	10	Purchase	2,43,000	6,53,508	
20	12-09-2016	(125)	10	Sale	10,000	6,53,383	
21	21-09-2016	65,33,830	10	Bonus	0	71,87,213	
22	23-09-2016	(2,750)	10	Sale	99,990	71,84,463	
23	23-09-2016	(1,375)	10	Sale	9,996	71,83,088	
24	23-09-2016	(6,875)	10	Sale	1,00,031	71,76,213	
25	23-09-2016	(13,739)	10	Sale	50,00,034	71,62,474	
26	23-09-2016	(2,750)	10	Sale	99,990	71,59,724	
27	25-11-2016	(13,739)	10	Sale	1,00,020	71,45,985	
28	28-11-2016	(3,432)	10	Sale	1,00,008	71,42,553	
29	29-11-2016	(13,739)	10	Sale	24,99,948	71,28,814	
30	29-11-2016	(6,875)	10	Sale	1,00,031	71,21,939	
31	29-11-2016	(6,875)	10	Sale	49,981	71,15,064	
32	29-11-2016	(6,875)	10	Sale	9,969	71,08,189	
33	29-11-2016	(3,432)	10	Sale	24,985	71,04,757	
34	29-11-2016	(2,750)	10	Sale	99,990	71,02,007	
35	02-12-2016	(3,432)	10	Sale	24,985	70,98,575	
36	02-12-2016	(1,375)	10	Sale	9,996	70,97,200	
37	13-12-2016	(3,432)	10	Sale	24,985	70,93,768	
38	15-12-2016	(6,875)	10	Sale	4,99,950	70,86,893	
39	19-07-2017	(70,143)	10	Transfer to RKS JV Trust	7,01,430	70,16,750	
40	03-08-2017	18,55,285	10	Purchase	-	88,72,035	
41	10-08-2017	(5,24,345)	10	Sale	42,73,41,175	83,47,690	
42	16-01-2020	Split (from INR 10 to INR 5)					1,66,95,380
43	28-08-2020	(2,75,000)	5	Sale	10,72,50,000	1,64,20,380	

*The acquisition price/sale price and nature of consideration for these transfers is not mentioned due to non-availability of transfer deeds

Rita Kishore Sinha

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
1	04-04-1988	100	100	Preferential allotment	10,000	100
2	21-04-1994	150	100	Preferential allotment	15,000	250

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
3	30-01-1996	200	100	Preferential allotment	20,000	450
4	12-10-2000	600	100	Preferential allotment	60,000	1,050
5	27-09-2003	2,100	100	Preferential allotment	2,10,000	3,150
6	26-03-2004	450	100	Preferential allotment	45,000	3,600
7	10-06-2004	2,500	100	Preferential allotment	2,50,000	6,100
8	31-03-2005	35,479	100	Purchase	-*	41,579
9	31-07-2005	16,355	100	Purchase	-*	57,934
10	30-09-2005	Split (from INR 100 to INR 10)				5,79,340
11	25-10-2005	5,79,340	10	Bonus	0	11,58,680
12	10-01-2008	(50,000)	10	Sale	1,15,00,000	11,08,680
13	31-12-2013	(8,977)	10	Sale	50,00,009	10,99,703
14	30-07-2016	1,177	10	Purchase	23,540	11,00,880
15	12-08-2016	125	10	Purchase	2,500	11,01,005
16	21-09-2016	1,10,10,050	10	Bonus	0	1,21,11,055
17	16-01-2020	Split (from INR 10 to INR 5)				2,42,22,110

**The acquisition price/sale price and nature of consideration for these transfers is not mentioned due to non-availability of transfer deeds*

Rivoli Sinha

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
1	16-02-1999	180	100	Preferential Allotment	18,000	180
2	27-09-2003	500	100	Preferential Allotment	50,000	680
3	26-03-2004	450	100	Preferential Allotment	45,000	1,130
4	31-03-2005	1,249	100	Purchase	-*	2,379
5	31-07-2005	9,570	100	Purchase	-*	11,949
6	30-09-2005	Split (from INR 100 to INR 10)				1,19,490
7	25-10-2005	1,19,490	10	Bonus	0	2,38,980
8	10-01-2008	(20,000)	10	Sale	46,00,000	2,18,980
9	21-09-2016	21,89,800	10	Bonus	0	24,08,780
10	16-01-2020	Split (from INR 10 to INR 5)				48,17,560
11	13-11-2020	2,126	5	Purchase	7,85,216	48,19,686
12	20-11-2020	267	5	Purchase	99,992	48,19,953
13	01-12-2020	(1,000)	5	Sale	4,66,000	48,18,953

**The acquisition price/sale price and nature of consideration for these transfers is not mentioned due to non-availability of transfer deeds.*

Pallavi Sinha

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares
1	31-07-2005	6,770	100	Purchase	6,77,000	6,770
2	30-09-2005	Split (from INR 100 to INR 10)				67,700

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
3	25-10-2005	67,700	10	Bonus	0	1,35,400	
4	10-01-2008	(20,000)	10	Sale	46,00,000	1,15,400	
5	31-12-2011	(1,05,400)	10	Inter-se transfer amongst promoters	0	10,000	
6	21-09-2016	1,00,000	10	Bonus	0	1,10,000	
7	16-11-2018	48	10	Purchase	38,292	1,10,048	
8	16-01-2020	Split (from INR 10 to INR 5)					2,20,096
9	13-11-2020	4,224	5	Purchase	15,44,654	2,24,320	

Satyendra Kishore

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
1	15-12-2016	6,875	10	Purchase	4,99,950	6,875	
2	17-08-2018	(324)	10	Sale	3,60,774	6,551	
3	02-11-2018	(100)	10	Sale	87,975	6,451	
4	30-11-2018	(51)	10	Sale	39,053	6,400	
5	16-01-2020	Split (from INR 10 to INR 5)					12,800
6	21-02-2020	(200)	5	Sale	1,21,480	12,600	
7	28-08-2020	(1600)	5	Sale	6,26,640	11,000	

Vishan Narain Khanna

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
1	29-11-2016	6,875	10	Purchase	1,00,031	6,875	
2	03-08-2018	500	10	Purchase	5,24,975	7,375	
3	17-08-2018	(375)	10	Sale	4,17,563	7,000	
4	24-08-2018	(500)	10	Sale	5,73,175	6,500	
5	15-03-2019	(500)	10	Sale	4,29,575	6,000	
6	10-05-2019	(400)	10	Sale	3,47,340	5,600	
7	10-01-2020	(600)	10	Sale	5,88,090	5,000	
8	16-01-2020	Split (from INR 10 to INR 5)					10,000
9	21-02-2020	(1,000)	5	Sale	6,07,400	9,000	
10	27-11-2020	(1,000)	5	Sale	4,46,650	8,000	
11	05-02-2021	500	5	Purchase	2,03,600	8,500	

Vikash Kishore Prasad

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
1	29-11-2016	6,875	10	Purchase	49,981	6,875	
2	16-01-2020	Split (from INR 10 to INR 5)					13,750

Vocational Skills Council India Private Limited

Sr. No.	Date of transaction	No. of equity shares	Nominal Value (INR)	Nature of transaction	Transaction value (INR)	Cumulative number of Equity Shares	
1	05-04-2013	2,30,966	10	Conversion of OFCDs	23,09,660	2,30,966	
2	21-09-2016	23,09,660	10	Bonus	0	25,40,626	
3	22-03-2019	(1,50,000)	10	Sale	12,84,00,000	23,90,626	
4	25-03-2019	(5,90,000)	10	Sale	48,97,00,000	18,00,626	
5	16-01-2020	Split (from INR 10 to INR 5)					36,01,252

(j) Confirmations from Company and Board of Directors as per the provisions of SEBI Buyback Regulations and the Act:

- (i) all Equity Shares of the Company are fully paid up;
- (ii) the Company shall not issue any shares or other securities from the date of declaration of results of the postal ballot for special resolution including by way of bonus issue till the expiry of the buyback period i.e. date on which the payment of consideration to shareholders who have accepted the buyback offer is made in accordance with the Companies Act and the SEBI Buyback Regulations;
- (iii) the Company shall not make any further issue of the same kind of Equity Shares or other securities including allotment of new equity shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- (iv) as per Regulation 24(i)(f) of the SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the expiry of the buyback period i.e., the date on which the payment of consideration to shareholders who have accepted the buyback offer is made except in discharge of subsisting obligations;
- (v) the Company shall not buyback its Equity Shares or other specified securities from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (vi) the aggregate maximum amount of the Buyback i.e., INR 99,99,99,550/- (Indian Rupees Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Five Hundred and Fifty Only) does not exceed 25% of the aggregate of the paid-up capital and free reserves based on both audited standalone and consolidated financial statements of the Company as on March 31, 2020;
- (vii) the number of Equity Shares proposed to be purchased under the Buyback i.e., 18,18,181 Equity Shares does not exceed 25% of the total number of Equity shares in the total paid-up equity capital of the Company as of March 31, 2020;

- (viii) there are no pending schemes of amalgamation or compromise or arrangement pursuant to the Companies Act (“**Scheme**”) involving the Company, and no public announcement of the Buyback shall be made during pendency of any such Scheme;
- (ix) the Company shall not make any further offer of buyback within a period of one year reckoned from the expiry of the buyback period i.e., date on which the payment of consideration to shareholders who have accepted the buyback offer is made;
- (x) the Company shall not withdraw the Buyback offer after the draft letter of offer is filed with the SEBI or the public announcement of the offer of the Buyback is made;
- (xi) the Company shall comply with the statutory and regulatory timelines in respect of the buyback in such manner as prescribed under the Companies Act and/or the SEBI Buyback Regulations and any other applicable laws;
- (xii) the Company shall not utilize any money borrowed from banks or financial institutions for the purpose of buying back its Equity Shares;
- (xiii) the Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies, if any or through any investment company or group of investment companies;
- (xiv) the Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;
- (xv) there are no defaults (either in the past or subsisting) in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company;
- (xvi) the Company will not buyback Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time the Equity Shares become transferable, as applicable;
- (xvii) the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice its paid-up capital and free reserves based on both, audited standalone and consolidated financial statements of the Company as on March 31, 2020;
- (xviii) the Company shall transfer from its free reserves or securities premium account and/ or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
- (xix) the Buyback shall not result in delisting of the Equity Shares from National Stock Exchange of India Limited and BSE Limited.
- (xx) the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations;
- (xxi) as per Regulation 24(i)(e) of the SEBI Buyback Regulations, the promoters and members of promoter group, and their associates, other than the Company, shall not deal in the Equity Shares or other specified securities of the Company either through

the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters and members of promoter group) from the date of passing of this special resolution till the closing of the Buyback offer; and

(xxii) that the Company has not completed a buyback of any of its securities during the period of one year immediately preceding the date of this Board Meeting.

(k) No default

The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

(l) Confirmation from the Board

As required by clause (x) of Schedule I in accordance with Regulation 5(iv)(b) of the SEBI Buyback Regulations, the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

- (i) immediately following the date of the board resolution and the date on which the results of shareholders' resolution passed by way of Postal Ballot will be declared ("**Postal Ballot Resolution**"), there will be no grounds on which the Company can be found unable to pay its debts;
- (ii) as regards the Company's prospects for the year immediately following the date of the board resolution and for the year immediately following the Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the board resolution as well as from the date of the Postal Ballot Resolution;
- (iii) in forming the aforesaid opinion, the Board has taken into account the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016 (to the extent notified).

(m) Report addressed to the Board by the Company's auditors on the permissible capital payment and the opinion formed by Board regarding insolvency

Quote

Independent Auditor’s Report on the proposed buyback of equity shares pursuant to the requirements of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 as amended.

To,

The Board of Directors

SIS Limited

Annapoorna Bhawan, Telephone Exchange Road

Kurji, Patna, Bihar – 800 010

1. This Report is issued to SIS Limited (hereinafter the “**Company**”) in connection with their proposed buyback of equity shares.
2. The Board of Directors of the Company (hereinafter the “**Board of Directors**”) has prepared the accompanying **Annexure A** - Statement of permissible capital payment as on March 31, 2020 (the “**Statement**”) pursuant to the proposed buyback of equity shares approved by the Board of Directors of the Company in their meeting held on February 15, 2021, in accordance with the provisions of sections 68, 69 and 70 of the Companies Act, 2013, as amended and the rules made thereunder, as amended (together the “**Companies Act**”) and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “**SEBI Buyback Regulations**”). The Statement contains the computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of Section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations and based on the latest audited standalone and consolidated financial statements for the year ended March 31, 2020. We have initialled the Statement for identification purposes only.

Board of Directors Responsibility for the Statement

3. The preparation of the Statement in accordance with the requirements of section 68(2)(c) of the Companies Act and ensuring compliance with the SEBI Buyback Regulations, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting approving the buyback of its equity shares i.e., February 15, 2021 (hereinafter referred as the “**date of the Board meeting**”) and will not be rendered insolvent within a period of one year from the date of the Board meeting, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016.

Auditor's Responsibility

5. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance on:
 - 5.1. Whether we have inquired into the state of affairs of the Company;
 - 5.2. Whether the amount of capital payment for the buyback, as stated in the Statement, is within the permissible limit and computed in accordance with the provisions of Section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations;
 - 5.3. whether the Board of Directors of the Company, in its meeting held on February 15, 2021, has formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting.
6. The audited standalone and consolidated financial statements as of and for the financial year ended March 31, 2020 were audited by us, on which we issued an unmodified audit opinion vide our report dated April 30, 2020. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the "ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
7. The unaudited standalone and consolidated financial information, referred to in paragraph 10.2 below, have been reviewed by us, on which we have issued unmodified conclusion vide our review report dated February 03, 2021. Our review of these financial information was conducted in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by ICAI. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to the 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.
8. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' ("**Guidance Note**"), issued by ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters as mentioned in this paragraph below. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the matters mentioned in this paragraph 10 below. We have performed the following procedures in relation to the matters mentioned in this paragraph 10 below:
 - 10.1. Inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements for the year ended March 31, 2020;
 - 10.2. Performed inquiry with the management in relation to the unaudited financial results for the nine months' period April 1, 2020 to December 31, 2020;
 - 10.3. Examined authorisation for buyback from the Articles of Association of the Company, approved by Board of Directors in its meeting held on February 15, 2021;
 - 10.4. Agreed the amounts of paid-up equity share capital, securities premium account, general reserve and retained earnings as at March 31, 2020 as disclosed in the accompanying Statement, with the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2020;
 - 10.5. Examined that the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice its paid-up capital and free reserves based on both, audited standalone and consolidated financial statements of the Company as on March 31, 2020;
 - 10.6. Examined that all the shares for buy-back are fully paid-up;
 - 10.7. Examined that the amount of capital payment for the buyback as detailed in the Statement is within the permissible limit computed in accordance with section 68(2)(c) read with Regulation 4(i) of the SEBI Buyback Regulations;
 - 10.8. Inquired if the Board of Directors of the Company, in its meeting held on February 15, 2021 has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board meeting;
 - 10.9. Examined Director's declarations in respect of the buyback and solvency of the Company;

10.10. Obtained necessary representations from the management of the Company.

Opinion

11. Based on inquiries conducted and our examination as above, and according to the information and explanations provided to us by the management of the Company we report that:
 - 11.1 We have inquired into the state of affairs of the Company in relation to: (i) its latest standalone and consolidated audited financial statements for the year ended March 31, 2020; and (ii) the statement of unaudited standalone and consolidated financial results for the nine months' period April 1, 2020 to December 31, 2020;
 - 11.2 the permissible capital payment towards buyback of equity shares, as stated in the Statement, is in our view properly determined in accordance with Section 68(2)(c) of the Companies Act read with Regulation 4(i) of the SEBI Buyback Regulations, based on the audited standalone and consolidated financial statements for the year ended March 31, 2020; and
 - 11.3 the Board of Directors, in their meeting held on February 15, 2021 have formed the opinion, as specified in clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Board meeting and we are not aware of anything to indicate that the opinion expressed by the directors in the declaration as to any of the matters mentioned in the declaration of insolvency is unreasonable in the circumstances as of the date of declaration.

Restriction on Use

12. This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the aforesaid requirements and for onward submission to ICICI Securities Limited, (hereinafter referred to as the "**Manager to the Buyback**") and to include this report, pursuant to the requirements of the SEBI Buyback Regulations, (i) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company, (ii) public announcement to be made to the shareholders of the Company, (iii) in the draft letter of offer and the letter of offer and other documents pertaining to the Buyback to be filed with the Registrar of Companies, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, as required by the SEBI Buyback Regulations, the Central Depository Services (India) Limited, National Securities Depository Limited, as applicable, and for providing to the Manager to the Buyback. Accordingly, this report may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent.

13. This report can be relied on by the Manager to the Buyback and the legal counsel in relation to the Buyback.

For Saxena & Saxena
Chartered Accountants
Firm Registration No: 006103N

CA. Dilip Kumar
Partner
Membership No.: 082118
UDIN: 21082118AAAAFK9885

Place: New Delhi
Date: February 15, 2021

ANNEXURE A - STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of Section 68(2)(c) of the Companies Act, 2013, as amended (the “**Companies Act**”) and Regulation 4(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (“**SEBI Buyback Regulations**”), based on audited standalone and consolidated financial statements as at March 31, 2020.

(Amount in ₹ Lakhs)

Particulars as on 31 March 2020	consolidate d	Standalo ne
A. Paid-up Equity Share Capital (X) (146,637,974 equity shares of ₹ 5/- each fully paid up)	7,331.9	7,331.9
B. Free Reserves		
Security premium	35,113.0	38,986.3
Surplus in statements of profit and loss	91,373.4	22,555.8
General reserve	1,859.9	1,889.9
Total Free Reserves	128,346.3	63,432
Total of Paid up Equity Share Capital and Free Reserves (A+B)	135,678.2	70,763.9
Maximum amount permissible for buyback under Section 68(2)(c) of the Act and Regulation 4(i) of the SEBI Buyback Regulations (25% of the total paid-up equity capital and free reserves)	33,919.6	17,691.0

*Free reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013, as amended.

Note: The above calculation of the total paid-up equity share capital and free reserves as at March 31, 2020 for buyback of equity shares is based on the amounts appearing in the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2020. These financial statements are prepared and presented in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder, each as amended from time to time.

For and on behalf of SIS Limited

Devesh Desai
Chief Financial Officer

Date: February 15, 2021

Unquote

For any clarifications related to the Buyback process, shareholders holding Equity Shares of the Company may contact Ms. Pushpalatha Katkuri, Company Secretary at Telephone No.: +91-80-2559 0801; Email ID: shareholders@sisindia.com.

All the material documents referred to in the Explanatory Statement such as the Articles of Association of the Company, the Auditor's Report dated February 15, 2021 and the latest available audited standalone and consolidated financial statements of the Company as on March 31, 2020 are available on the Company's website (www.sisindia.com) to facilitate online inspection till the date of announcement of the results of this Postal Ballot.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its shareholders holding Equity Shares of the Company. The Board, therefore, recommends passing of the special resolution as set out in the accompanying Notice.

None of the Directors or any KMPs of the Company or their respective relatives is in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company.

Registered Office:
Annapoorna Bhawan
Telephone Exchange Road, Kurji
Patna – 800 010

**By Order of the Board
For SIS Limited**

Place : Bangalore
Date : February 15, 2021

**Pushpalatha Katkuri
Company Secretary**