

Independent Auditor's Report on Standalone audited financial results of SIS Limited for the quarter and year ended March 31, 2023, pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of
SIS Limited

Report on the Audit of the Standalone Annual Financial Results

Opinion

1. We have audited the accompanying annual standalone financial results of SIS Limited ('the Company') for the quarter ended March 31, 2023 and year to date results for the period from April 1, 2022 to March 31, 2023 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), which has been initialled by us for the identification purpose.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:
 - i. presents financial results in accordance with the requirements of the Listing Regulations; and
 - ii. gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), relevant rules issued thereunder, and other accounting principles generally accepted in India read with the Listing regulations, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2023 and the year to date results for the period from April 1, 2022 to March 31, 2023.

Basis for opinion

3. We conducted our audit of the Statement in accordance with the Standards on Auditing ('SAs') specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Statement" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") and the rules thereunder, together with the ethical requirements that are relevant to our audit of the Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors.

The Company's management and Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors is responsible for assessing Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

5. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
6. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.

7. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
8. We also provide those charged with governance with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with

S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

9. The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the nine months period ended December 31, 2022, which were subjected to a limited review by us, as required under the Listing Regulations.
10. The Statement includes the results for the corresponding preceding quarter ended March 31, 2022 and preceding year ended March 31, 2022 are based on the previously issued standalone financial results/financial statements of the Company, prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Act read with relevant Rules issued there under, which were audited by predecessor auditor, whose report dated May 4, 2022 expressed an unmodified opinion on those audited financial results/statements, have been furnished to us by the management and which have been relied upon by us for the purpose of issuing the report on the Statement.

Our Opinion on the Statement is not modified in respect of this matter.

For S S Kothari Mehta & Company

Chartered Accountants

Firm Reg. No. – 000756N



Naveen Aggarwal

Partner

Membership No. – 094380

UDIN: 23094380BGUMXZ9261



Place: New Delhi

Date: May 3, 2023

SIS Limited

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

Statement of standalone financial results for the quarter and year ended March 31, 2023

Sl. No.	Particulars	(Figures in INR million except per share data)				
		Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Income					
1	a) Revenue from operations	10,474.84	10,405.63	8,946.05	39,848.72	33,178.47
	b) Other income	85.43	548.23	43.43	694.26	631.22
	c) Other gain / (loss)	-2.37	1.26	0.60	-1.90	2.95
	Total income (a + b + c)	10,557.90	10,955.12	8,990.08	40,541.08	33,812.64
	Expenses					
	a) Purchases of inventory	145.68	104.27	118.29	433.48	394.86
	b) Change in inventory	5.39	-12.47	47.14	-3.37	34.85
2	c) Employee benefits expense	9,135.63	9,217.75	8,043.40	35,302.02	29,804.80
	d) Finance costs	185.34	183.35	140.72	670.45	560.80
	e) Depreciation and amortization expense	151.84	133.38	108.61	542.61	378.60
	f) Other expenses	657.03	576.34	396.98	2,246.77	1,483.21
	Total expenses (a + b + c + d + e + f)	10,280.91	10,202.62	8,855.14	39,191.96	32,657.12
3	Profit / (loss) before exceptional items and tax (1-2)	276.99	752.50	134.94	1,349.12	1,155.52
4	Exceptional items	-	-	-	-	-
5	Profit / (loss) before tax (3-4)	276.99	752.50	134.94	1,349.12	1,155.52
6	Tax expense / (credit)					
	Current tax	97.75	11.77	-58.68	114.11	32.11
	Deferred tax	-145.26	-383.02	-73.86	-666.29	-215.60
	Total tax expense / (credit)	-47.51	-371.25	-132.54	-552.18	-183.49
7	Profit / (loss) for the period (5-6)	324.50	1,123.75	267.48	1,901.30	1,339.01
8	Other comprehensive income / (loss)					
	Items that will not be reclassified to profit or loss					
	a) Re-measurement of defined benefit plan	23.59	-	-98.10	87.91	-80.63
	b) Income tax relating to these items	-5.93	-	24.69	-22.12	20.29
	Other comprehensive income / (loss) for the period (net of taxes)	17.66	-	-73.41	65.79	-60.34
9	Total comprehensive income / (loss) for the period (7+8)	342.16	1,123.75	194.07	1,967.09	1,278.67
10	Paid-up equity share capital (face value of INR 5/- per share)	728.65	728.63	735.16	728.65	735.16
11	Reserves i.e. Other equity	8,737.87	8,556.90	7,625.28	8,737.87	7,625.28
12	Earnings Per Share (EPS) (INR 5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)	(Annualised)
	(a) Basic (INR)	2.23	7.68	1.82	12.97	9.10
	(b) Diluted (INR)	2.21	7.62	1.80	12.86	9.01

Please see the accompanying notes to the financial results



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

Statement of standalone assets and liabilities as at March 31, 2023

Particulars		(Figures in INR million)	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
A	ASSETS		
	Non – current assets		
	Property, plant and equipment	1,348.44	1,233.48
	Capital work-in-progress	180.15	-
	Other intangible assets	128.25	6.53
	Intangible assets under development	136.71	211.40
	Financial assets		
	(i) Investments	5,733.59	5,765.48
	(ii) Other non-current financial assets	459.89	597.13
	Deferred tax assets (net)	1,689.83	1,045.66
	Income tax assets	1,204.96	1,410.12
	Other non – current assets	30.49	31.83
	Total non – current assets	10,912.31	10,301.63
	Current assets		
	Inventories	150.57	147.20
	Financial assets		
	(i) Investments	179.89	-
	(ii) Trade receivables	6,863.07	5,072.09
	(iii) Cash and cash equivalents	1,002.49	1,303.00
	(iv) Bank balances other than in (ii) above	536.43	283.98
	(v) Other current financial assets	2,948.50	2,358.58
	Other current assets	629.86	445.36
	Total current assets	12,310.81	9,610.21
	Total assets	23,223.12	19,911.84
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	728.65	735.16
	Other equity	8,737.87	7,625.28
	Total equity	9,466.52	8,360.44
	Liabilities		
	Non – current liabilities		
	Financial liabilities		
	(i) Borrowings	2,904.53	1,011.08
	(ia) Lease liability	398.52	414.30
	(ii) Other non-current financial liabilities	1.47	5.87
	Provisions	813.45	786.90
	Total non- current liabilities	4,117.97	2,218.15
	Current liabilities		
	Financial liabilities		
	(i) Borrowings	4,704.82	5,387.23
	(ia) Lease liability	96.93	76.13
	(ii) Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	24.30	6.13
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	199.88	124.21
	(iii) Other current financial liabilities	3,234.02	2,526.44
	Other current liabilities	1,201.18	1,086.84
	Provisions	177.50	126.27
	Total current liabilities	9,638.63	9,333.25
	Total liabilities	13,756.60	11,551.40
	Total equity and liabilities	23,223.12	19,911.84



SIS Limited		
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna – 800010 CIN: L75230BR1985PLC002083		
Standalone statement of cash flows for the year ended March 31, 2023		
Particulars	(Figures in INR million)	
	March 31, 2023 (Audited)	March 31, 2022 (Audited)
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,349.12	1,155.52
Adjusted for:		
Depreciation and amortization expenses	542.61	378.60
Unrealised foreign exchange (gain) / loss	1.33	-0.83
Net (gain) / loss on sale of property, plant and equipment	1.00	-2.08
Finance costs	670.45	560.80
Interest income classified as investing cash flows	-174.13	-126.28
Dividend Income	-520.13	-504.94
Provision for doubtful debts	209.17	97.33
Employee stock option compensation expense	78.47	112.47
Operating profit/(loss) before changes in working capital	2,157.89	1,670.59
Changes in working capital:		
Decrease / (increase) in trade receivables	-2,000.16	-713.83
Decrease / (increase) in inventories	-3.37	34.85
Decrease / (increase) in other current assets	84.18	315.78
Decrease / (increase) in other current financial assets	-544.28	-194.66
(Decrease) / increase in trade payables	93.83	49.99
(Decrease) / increase in provisions	165.71	116.40
(Decrease) / increase in other current liabilities	112.70	110.76
(Decrease) / increase in other current financial liabilities	621.52	371.08
Decrease / (increase) in other non-current assets	2.58	0.05
Decrease / (increase) in other non-current financial assets	209.39	23.39
(Decrease) / increase in other non-current financial liabilities	-1.19	0.83
Cash (used in) / generated from operations	898.80	1,785.23
Direct (tax paid), net of refunds	-213.04	-504.09
Net cash inflow / (outflow) from operating activities	685.76	1,281.14
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment and changes in capital work-in-progress	-727.20	-620.37
Proceeds from sale / disposal of property, plant and equipment	11.61	20.46
Investments in subsidiaries	-17.77	-512.05
Other Investments made	-63.29	-
Investment in fixed deposits	-697.91	-
Redemption of fixed deposits	376.25	1,607.85
Interest received	151.70	120.79
Dividend received	520.13	504.94
Net cash inflow / (outflow) from investing activities	-446.48	1,121.62
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (net of share issue expenses)	0.76	2.47
Buy back of equity shares including transaction cost and tax	-997.29	-1,241.57
Proceeds from term loans	2,283.17	219.00
Repayment of term loans	-305.05	-132.92
Bonds/debentures repaid/redeemed	-1,900.00	-1,499.79
Interest paid	-593.94	-677.01
Payment of lease liabilities	-154.07	-130.31
Net cash inflow / (outflow) from financing activities	-1,666.42	-3,460.13
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	-1,427.14	-1,057.37
E Cash and cash equivalents at the beginning of the period	1,303.00	2,061.91
F Cash credit at the beginning of the period	-3,288.46	-2,990.00
Cash and cash equivalents at the end of the period (D+E+F)	-3,412.60	-1,985.46

For the purpose of standalone statement of cash flows, cash and cash equivalents comprises of followings:


Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents at the end of the period	1,002.49	1,303.00
Cash credit at the end of the period	-4,415.09	-3,288.46
Balances as per statement of cash flows	-3,412.60	-1,985.46



Notes to the standalone financial results:

1. The Statement of audited standalone financial results ("the Statement") of the Company for the quarter and year ended March 31, 2023 has been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on May 03, 2023.
2. The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been completed and the related Report does not have any impact on the 'Results and Notes' for the quarter and year ended March 31, 2023 which needs to be explained.
3. 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.
4. During the quarter ended March 31, 2023, the Company has repaid 1,900 Secured Rated Listed Redeemable Non-Convertible Debentures ("the Debentures") of face value of INR 1.00 million each, aggregating to INR 1,900 million along with interest due thereon, which was issued on March 30, 2021, on a private placement basis and were redeemable at par after 2 years from the date of allotment. Accordingly, disclosure requirements under Chapter V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable.
5. During the quarter ended March 31, 2023, the remaining shares of SLV Security Services Private Limited ("SLV"), a subsidiary of the Company, in respect of which the Company fulfilled obligations in the year 2020-21, have now been transferred to the demat account of the Company which resulted in SLV becoming wholly owned subsidiary of the Company.
6. During the quarter ended March 31, 2023, upon exercise of vested stock options by the eligible employees, the Company has allotted 3,106 equity shares of INR 5 each. Consequent to the said allotment, the paid-up equity share capital of the Company stands at INR 728,647,205 divided into 145,729,441 equity shares of INR 5 each.
7. During the quarter ended March 31, 2023, the following changes took place in composition of the Board:
 - a) Mrs. Renu Mattoo (DIN: 08050374) ceased to be an Independent Director of the Company upon completion of her second consecutive term at the close of business hours on January 28, 2023.
 - b) Shareholders, by way of postal ballot dated January 30, 2023, have approved the appointment of Ms. Rivoli Sinha (DIN: 05124090) as a Non-Executive Director of the Company.
8. The figures for the quarter ended March 31, 2023 and the corresponding quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.
9. In accordance with IND-AS 108, Operating segments, segment information has been provided in the audited consolidated financial results of the Group and, therefore, no separate disclosure on segment information is given in this standalone audited financial result.

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


Ravindra Kishore Sinha
Chairman

Place: New Delhi
Date: May 03, 2023

