

Date: October 30, 2023

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai-400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Company Symbol: SIS

Company Code: 540673

Dear Sir/Madam,

Sub: Outcome of the Board meeting held on October 30, 2023

This is to inform you that the Board of Directors of SIS Limited (“**Company**”), at its meeting held today, October 30, 2023, has, *inter alia*, approved the un-audited financial results (standalone and consolidated) for the quarter and half-year ended September 30, 2023.

In compliance with Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we have enclosed the un-audited financial results (standalone and consolidated) for the quarter and half-year ended September 30, 2023, along with the Limited Review Report of the Auditors.

The meeting commenced at 04:00 p.m. and concluded at 06:10 p.m.

The aforementioned documents will be available on the Company’s website at www.sisindia.com.

Kindly take note of the above information.

Thanking you.

Yours Faithfully,
For **SIS Limited**

Pushpalatha K
Company Secretary



A Market Leader in
Security, Cash Logistics
& Facility Management

Q2 FY24 EARNINGS UPDATE



30 October 2023

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Q2 FY24

<p>Revenue ₹ 3,073.6 cr.</p> <p>↑ 11.1% Y-o-Y</p>	<p>EBITDA ₹ 144.5 cr.</p> <p>↑ 31.6% Y-o-Y</p>	<p>PAT ₹ 75.3 cr.</p> <p>↑ 11.6% Y-o-Y</p>	<p>RoE 15.5%</p>
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“SIS, an essential services leader, continues its growth momentum crossing the ₹1,000 cr. monthly revenue milestone. Significantly higher margins of the Security Solutions – India segment aided the improving results. Cash Logistics business continues its high-performance trend with a focus on newer solutions with a higher margin profile. With the Cash Logistics business on a high-performance trajectory, we are now evaluating shareholder value unlocking options.”

Rituraj Sinha
Group Managing Director

Q2FY24: Monthly revenue crosses the ₹1,000 cr. milestone.

SIS is forging ahead on its growth trajectory in FY24 and ended Q2-FY24 with consolidated revenue growth of 11.1% y-o-y and consolidated EBITDA growth of 31.6% y-o-y. Q2-FY24 EBITDA Margin is 4.7%, an uptick of ~70 bps y-o-y.

As we have maintained, SIS is an essential services market leader and the demand for our services has been resilient. The COVID era demonstrated that essential services were the least impacted as compared to other businesses and were the first to recover. This resilience has enabled the SIS Group to move up from the ~₹740 cr. monthly revenue run rate pre-COVID to crossing the ₹1,000 cr. monthly revenue milestone for the first time ever in Q2-FY24, thus, reaching an annualized revenue run rate of ₹12,000 cr.

Security Solutions - India: A robust and formidable market leader with a relentless focus on profitability.

Security Solutions - India segment continued to demonstrate strong growth with Q2-FY24 revenue of ₹1,302.0 cr., an increase of 13.2% y-o-y. We reported the highest ever quarterly EBITDA at ₹73.7 cr., a robust growth of 44.2% y-o-y, and the EBITDA Margin improved from 4.4% in Q2 FY23 to 5.7% in Q2-FY24. The improvement in the EBITDA Margin can be attributed to our diligence in securing contracts with minimum margin thresholds, filtering out low margin contracts, increase in technology solutions and a laser sharp focus on SG&A costs.

Security Solutions - International: Strong performance continues.

The Security Solutions - International segment closed Q2 FY24 with revenue of ₹1,259.1 cr., a growth of 8.4% y-o-y on the back of new order wins. EBITDA Margin in Q2-FY24 was at 4.0%, up from 3.3% in Q2-FY23, benefitting from the implementation of margin improvement initiatives and SG&A rationalization. During the quarter, the Australian business witnessed another round of record high annual wage revision and labour shortages persist.

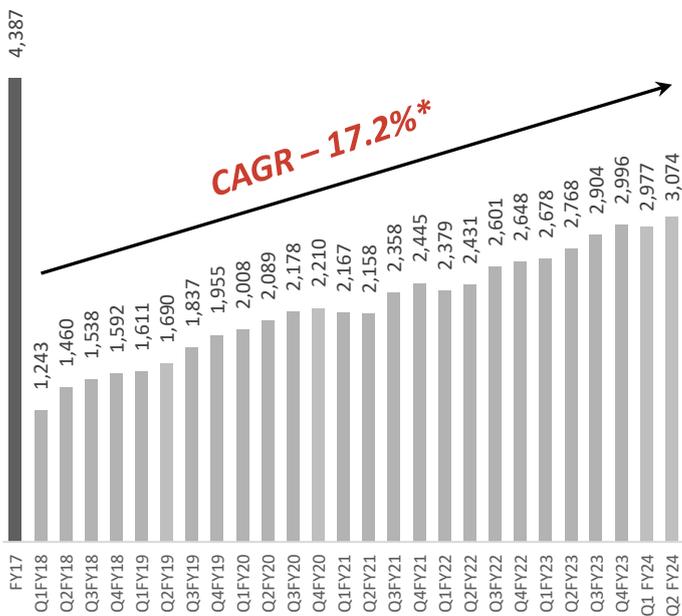
Cash Logistics Solutions: Considering ways to unlocking shareholder value.

The Cash Logistics Solutions segment continued its growth trajectory reporting the highest ever quarterly revenue of ₹156.3 cr. for Q2-FY24, a strong growth of 22.0% YoY, coupled with robust EBITDA Margin of 16.1%. PAT is at ₹13.2 cr., an increase of 213% YoY with 8.5% PAT Margin. In another positive development, the segment clocked its lowest ever DSO of 78 Days at the end of Q2-FY24, down from 85 days as at the end of Q2-FY23. The segment continues to focus on the newer services with growth of 67% y-o-y. Improving profitability combined with improvement in cash collection cycle has led to this improvement in financial performance. With the ongoing improvement in this business segment, we are now looking to unlock value for the shareholders of the JV.

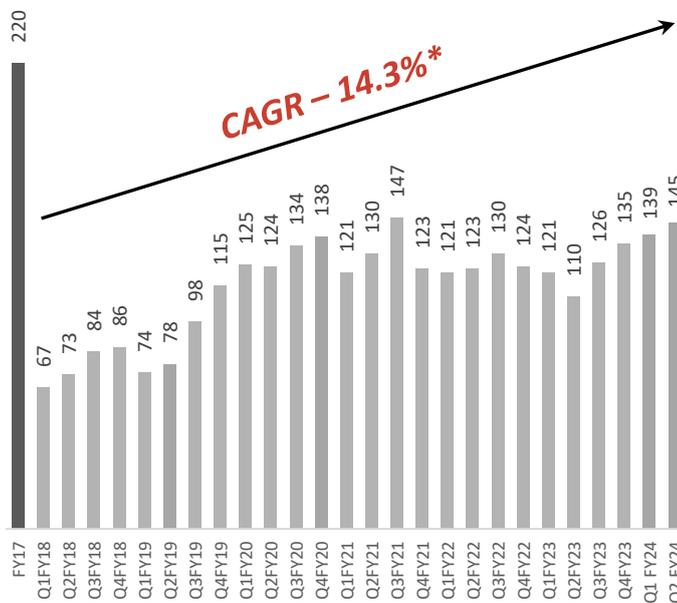


Quarterly Trend (₹ cr.)

Revenue

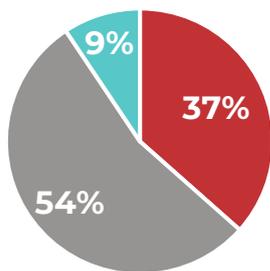


EBITDA

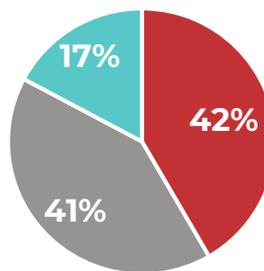


*FY17-23 CAGR%

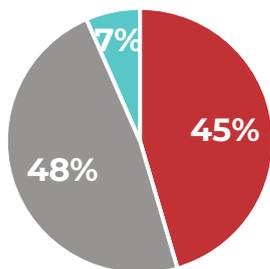
FY17 Revenue Contribution



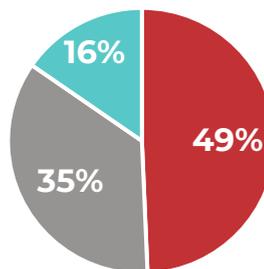
H1 FY24 Revenue Contribution



FY17 EBITDA Contribution



H1 FY24 EBITDA Contribution



■ Security Solutions - India

■ Security Solutions - International

■ Facility Management Solutions



Particulars (In ₹cr.)	Q2 FY24	Q2 FY23	Y-o-Y Change %	H1 FY24	H1 FY23	Y-o-Y Change %
Revenue	3,073.6	2,767.7	11.1%	6,050.4	5,445.8	11.1%
EBITDA	144.5	109.8	31.6%	283.5	230.5	23.0%
EBITDA Margin%	4.7%	4.0%		4.7%	4.2%	
Depreciation	39.5	32.2	22.9%	74.4	59.8	24.4%
Finance Costs	34.7	27.5	26.0%	67.4	52.2	29.2%
Other income ¹	19.1	10.3	85.8%	33.1	17.4	90.2%
Earnings Before Taxes (Incl. Grants)	89.3	60.3	48.0%	174.7	135.8	28.6%
Less: Acquisition-related costs / (income)						
– Depreciation & Amortization	0.9	0.9		1.7	1.9	
Earnings Before Taxes (Reported)	88.4	59.4	48.9%	173.0	134.0	29.1%
EBT Margin%	2.9%	2.1%		2.9%	2.5%	
Tax Expenses	13.2	-8.0		8.2	-16.0	
Profit After Taxes (Reported)	75.3	67.4	11.6%	164.8	150.0	9.9%
Reported PAT Margin%	2.4%	2.4%		2.7%	2.8%	
EPS	5.2	4.6	12.9%	11.3	10.2	10.9%
OCF	3.4	-30.6		-32.9	-25.5	
OCF to EBITDA%	2.3%	-27.8%		-11.6%	-11.1%	
Net Debt	1,050.7	841.5		1,050.7	841.5	
Net Debt to EBITDA	1.9	1.7		1.9	1.7	

Note 1: Includes share of profit/(loss) in associates / JV's.

Revenue, EBITDA, and PAT Growth Development by Business Segment

Business Segments	Revenue Growth		EBITDA Growth		PAT Growth	
	Q2 FY24 v/s Q2 FY23	Q2 FY24 v/s Q1 FY24	Q2 FY24 v/s Q2 FY23	Q2 FY24 v/s Q1 FY24	Q2 FY24 v/s Q2 FY23	Q2 FY24 v/s Q1 FY24
Total Growth - %						
Security Solutions – India	13.2%	5.9%	44.2%	11.4%	62.2%	-15.5%
Security Solutions – International (on a constant currency basis)	9.2%	2.8%	32.2%	0.4%	4.2%	-11.9%
Facility Management Solutions	12.0%	1.7%	0.6%	-7.1%	-43.3%	-25.6%
Total of SIS Group	11.1%	3.3%	31.6%	3.9%	11.6%	-15.9%



Revenue Development

All businesses continued to report strong revenue growth and SIS Group has crossed the monthly revenue run-rate milestone of INR 1,000 cr. during the quarter on the back of new wins across all the businesses.

Consolidated revenue for Q2 FY24 was INR 3,073.6 cr.; grew by 11.1% over Q2 FY23.

Consolidated revenue for Q2 FY24 grew by 3.3% on a q-o-q basis.

Security Solutions – India reported a 13.2% growth y-o-y on the back of new wins during the quarter with major contributions from the Manufacturing, BFSI, Energy, Logistics, and Real Estate sectors.

Facility Management Solutions segment continued its growth momentum during the quarter with a revenue increase of 12.0% y-o-y. This growth was primarily driven by new wins in the Real Estate, Education, Government, Manufacturing, and Health sectors.

Security Solutions – International reported an 8.4% growth y-o-y in revenues. On a constant currency basis, the International Security segment reported revenue growth of 9.2% on a y-o-y basis. This growth was primarily driven by new wins in the Mining, Technology, Retail, and Hospitality sectors.

Earnings Before Interest Tax Depreciation & Amortization (EBITDA)

Consolidated EBITDA for Q2 FY24 at INR 144.5 cr. was a 31.6% increase compared to Q2 FY23.

While there was a continued improvement in the margins of Security Solutions – India from 4.4% in Q2 FY23 to 5.7% in Q2 FY24, the EBITDA margin in Security Solutions - International increased to 4.0% in Q2 FY24 compared to 3.3% in Q2 FY23 driven by the margin improvement initiatives implemented which include SG&A rationalization and contract-level reviews. EBITDA margin of Facility Management Solutions declined to 4.0% in Q2 FY24 compared to Q2 FY23 as the planned shedding of low profit contracts has commenced which has led to an overall decline in the EBITDA margin.

Business segment wise reported EBITDA movement for Q2 FY24 is as follows:

Particulars (in %)	Q2 FY24	Q2 FY23	YoY Change	Q1 FY24	QoQ Change
Security Solutions – India	5.7%	4.4%	130 bps	5.4%	30 bps
Security Solutions – International	4.0%	3.3%	70 bps	4.0%	0 bps
Facility Management Solutions	4.0%	4.4%	-40 bps	4.4%	-40 bps

Earnings Before Taxes (EBT Reported)

The reported Earnings Before Taxes for the Group were at INR 88.4 cr. for Q2 FY24, compared to INR 59.4 cr. for Q2 FY23, an increase of 48.9%.

Other income & share of profit/(loss) in associates for the quarter is comprised of:

- The effects of unrealized currency translation amounting to INR 2.2 cr. in respect of the RDBs issued by the parent to its Australian subsidiary.
- Interest income from bank deposits; and the Group's share of the profit/(loss) in its associates and other gains and losses.

The Group's consolidated Depreciation & Amortization amounted to INR 40.4 cr. for Q2 FY24 which was higher than INR 33.1 cr. for the same quarter last year as a result of capital expenditure on installations in our VProtect business which were financed by bank borrowings and amortization of capitalized cost in respect of new business application platforms.



Finance costs for the Group amounted to INR 34.7 cr. which was higher compared to the same quarter last year of INR 27.5 cr. driven by increase in the interest rate, caused by rising interest rates during the year and capital expenditure on installations in our VProtect business which were financed by bank borrowings.

On a y-o-y basis our effective interest cost increased by 1.1% which is in line with the bank rate increase of 1.1%.

Taxes & Profit after Tax (PAT)

The reported Profit after Tax for the Group were at INR 75.3 cr. for Q2 FY24, compared to INR 67.4 cr. for Q2 FY23. Given that the deferred tax accounting for benefits under section 80JJAA changes from quarter to quarter due to changes in the PBT and the movement / addition of eligible employees, PAT for the quarter (without considering the deferred tax impact of these benefits) grew by 58.6% on y-o-y basis.

Accounting for the benefits under Section 80JJAA of the Income Tax Act, 1961

The key qualifying criterion for availing the tax benefits under section 80JJAA are an increase in the number of employees during the year and eligible employees completing a period of employment of at least 240 days in the year either in the year of recruitment or in the immediately succeeding financial year.

During the quarter, the number of employees in all businesses continued to increase. As a result, we continue to account for the tax benefits under Section 80JJAA of the Income Tax Act for the quarter and year in line with past practice.

We continue to receive, and account for, the tax benefits under section 80JJAA which have accrued to the Group during FY22 and FY23. In FY24, the Group is also eligible to claim benefits in respect of those eligible employees employed in FY23 and completing a period of employment of at least 240 days in FY24.

On a standalone basis, the Company's current tax rate is close to NIL because of the benefits accruing under Section 80JJAA of the Income Tax Act, 1961.

The current tax rate reflects the amount of tax the Company is expected to pay when preparing and filing its tax returns. The real effective tax rate reflects the current tax plus the deferred tax effect on timing differences. The current tax rate and real effective tax rate, is computed below:

Particulars (in ₹cr.)	Q2 FY24	Q2 FY23	Q1 FY24
PBT	33.0	17.1	31.4
Less: dividend subject to special tax rates	0.0	0.0	0.0
Current tax	-0.2	0.3	-0.2
Less: tax on dividend at special rates	0.0	0.0	0.0
Deferred tax effect on timing differences	-5.6	-0.6	-5.3
Total tax items	-5.7	-0.2	-5.4
Current tax rate	-0.5%	1.9%	-0.5%
Real Effective tax rate	-17.4%	-1.3%	-17.3%



Cash flows, Leverage (Net Debt) and Return Ratios

- **Net Debt / EBITDA** was 1.93 as of end of Q2 FY24, which was flat compared to as at end of Q1 FY24. The Net Debt / EBITDA remained flat aided by some improvement in working capital management.
- **OCF/EBITDA** on a consolidated basis was 2.3% for the quarter. OCF was negative in the Security Solutions – International segment due to deferred invoicing to clients who have been approached for a supplementary/additional price increase.
- **Return Ratios:**
 - Consolidated Return on Capital Employed (ROCE) is 12.1%.
 - Return on Equity stood at 15.5%.

Q2 FY24 Cash Flow:

Particulars (in ₹cr.)	IND - SEC	INT - SEC	FM	Consolidated
PBT	36.0	34.9	13.1	88.4
Cash Profit	78.7	50.5	22.6	151.8
Changes in working capital	-67.6	-58.3	-11.8	-137.7
Taxes paid	-9.0	-15.0	13.4	-10.7
Net Operating cash flows	2.1	-22.9	24.2	3.4
Capex	-25.4	-9.9	-7.4	-42.7
Investments made/realised	0.0	0.0	0.0	0.0
Other items	0.2	0.2	0.0	0.2
Net Investing cash flows	-25.3	-9.7	-7.4	-42.5
Borrowings, net	6.2	-2.8	-1.5	1.9
Lease liability	-5.5	-6.1	-1.0	-12.6
Interest paid	-18.1	-2.7	-1.7	-22.5
Other items	0.0	-0.1	0.0	0.0
Net financing cash flows	-17.4	-11.8	-4.2	-33.1
Net change in cash flows	-40.6	-44.4	12.6	-72.3
EBITDA	73.7	49.8	21.0	144.5
OCF/EBITDA%	2.8%	-45.9%	115.3%	2.3%

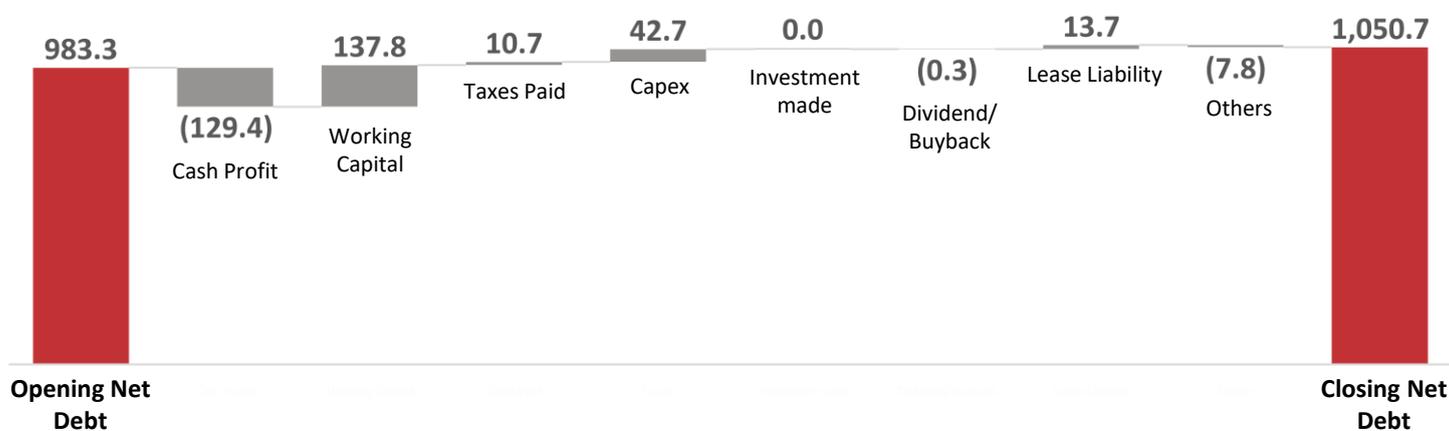


Leverage (Net Debt)

The movement in Net Debt for Q2 FY24 is provided in the table and chart below:

Particulars (in ₹cr.)	September 2023			June 2023		
	India	Intl	Total	India	Intl	Total
Long-term borrowings	231	480	711	257	494	751
Short-term borrowings	855	23	878	754	24	779
Add: Lease liabilities	81	52	132	74	57	131
Gross Debt	1,166	555	1,721	1,086	575	1,661
Less: Cash and Cash Equivalents	345	326	671	303	374	677
Net Debt	822	229	1,051	783	201	983

Q2 FY24 (June '23 – September '23) Net Debt Bridge (in ₹cr.):





The Security Solutions - India segment comprises of five entities.

We continue our leadership position as the largest security solutions company in India.

- The business currently operates across 184 branches and has 1,82,879 employees.
- **Highest ever quarterly revenues:** The segment has reported the highest ever quarterly revenues of INR 1,302 Cr. for Q2 FY24 which was a 13.2% growth over Q2 FY23, thus continuing the growth momentum. Major wins during the quarter came from the Manufacturing, BFSI, Energy, Logistics, and Real Estate sectors.
- **Increasing demand for technological solutions:** In the evolving security landscape, the demand for more advanced technology-based security solutions continues to rise with the advancement of technology and complex customer requirements.

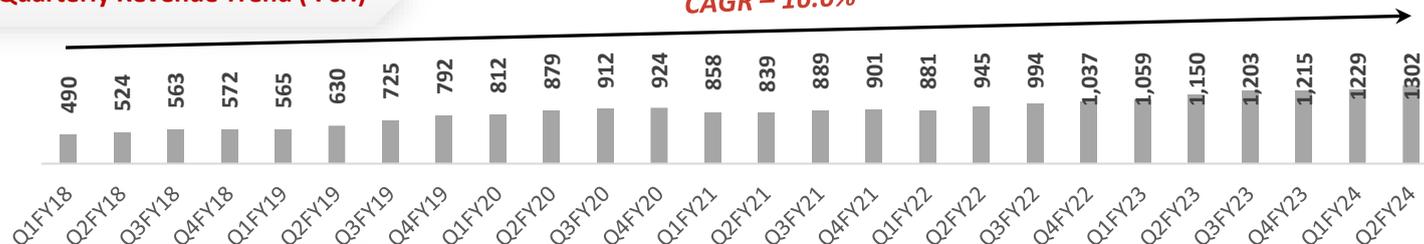
We continue winning new business in our technology-based security solutions businesses both the ManTech business and the Alarm monitoring and response business (VProtect). Our VProtect business continues to grow, with more than 3,200 new installations during the quarter, which now services more than 18,700 customer connections.

- **Highest ever quarterly EBITDA:** The segment has reported the highest ever quarterly EBITDA margin of INR 73.7 Cr. in Q2 FY24 a 44.2% increase over Q2 FY23 and a 5.7% EBITDA margin compared to 4.4% in Q2 FY23. EBITDA margins have been continuously increasing for the past several quarters delivering an improvement of 130 bps over Q2 FY23. This improvement was driven by focused execution of margin management initiatives and a control on SG&A costs as a result of a focus on the margins by the management.
- **Technology ready for 3x the scale:** We commenced the roll-out of our new platform “SiSCORE” in our flagship company, SIS, during the quarter. This platform will be the core operations system built to manage invoicing, payroll and customer contracts and is fully integrated with the financial accounting and reporting platform, Oracle Fusion and other applications like MySiS, iOPS and SalesmaXX, . This rollout now completes the building blocks to enable a rapid scale up of the IT backbone and delivers the capability to handle 3x the current scale of operations and help management with quicker and better access to data for better decision-making.

Particulars (in ₹ cr.)	Q2 FY24	Q2 FY23	Y-o-Y Change %	Q1 FY24	QoQ Change %
Revenue	1,302.0	1,150.4	13.2%	1,229.1	5.9%
EBITDA	73.7	51.1	44.2%	66.2	11.4%
EBITDA%	5.7%	4.4%		5.4%	
Share of group Revenue%	42.4%	41.6%		41.3%	
Share of group EBITDA%	51.0%	46.5%		47.6%	

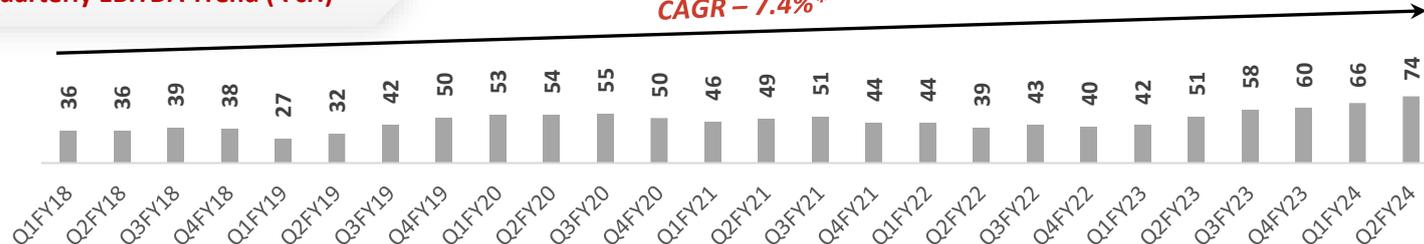
Quarterly Revenue Trend (₹ cr.)

CAGR – 16.6%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 7.4%*



*FY17-23 CAGR%





The Security Solutions - International segment comprises of four entities.

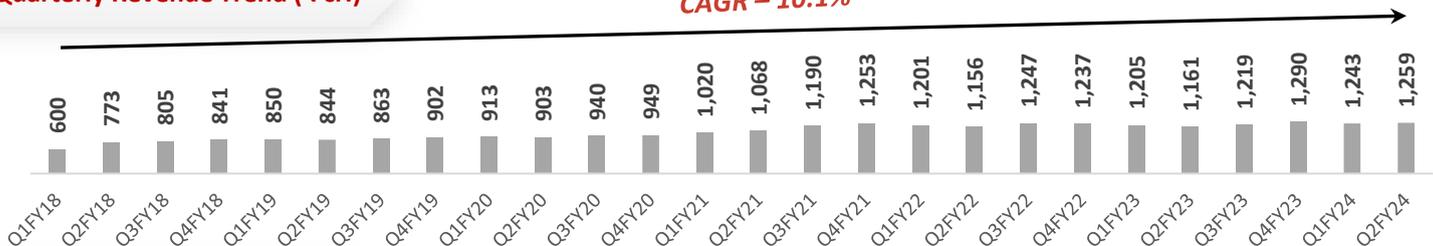
We continue to be the market leader in Australia and a top 3 player in New Zealand.

- The International security business currently has 9,346 employees.
- **Strong revenue growth continues:** Segmental revenue for Q2 FY24 was INR 1,259 Cr. which was an 8.4% growth over Q2 FY23 (9.2% on a constant currency basis), thus continuing the growth momentum on the back of new wins mainly in the Mining, Technology, Retail, and Hospitality sectors. This growth is driven by all entities across geographies and a high growth in New Zealand driven by the FIFA Women’s World Cup event held during the quarter.
- **Strong growth in margins:** The EBITDA margin for Q2 FY24 was 4.0% compared to 3.3% in Q2 FY23. EBITDA margins improved by around 70 bps compared to the same quarter the previous year primarily driven by the margin improvement initiatives implemented which include SG&A rationalization and contract-level reviews. Fair Work Australia (Minimum wage equivalent in Australia) announced another record wage hike of 5.75% in Australia effective 1st July. While we are required to implement these increases effective 1st July, some of our client contracts stipulate commensurate price increases on the anniversary of such contracts. Generally, all price increases get implemented by Q3 with the full quarter effect being visible in Q4. Margin improvement continues to be the key focus of management.

Particulars (in ₹cr.)	Q2 FY24	Q2 FY23	Y-o-Y Change %	Q1 FY24	QoQ Change %
Revenue	1,259.1	1,161.3	8.4%	1,242.7	1.3%
EBITDA	49.8	37.9	31.5%	50.3	-1.0%
EBITDA%	4.0%	3.3%		4.0%	
Share of group Revenue%	41.0%	42.0%		41.7%	
Share of group EBITDA%	34.5%	34.5%		36.2%	

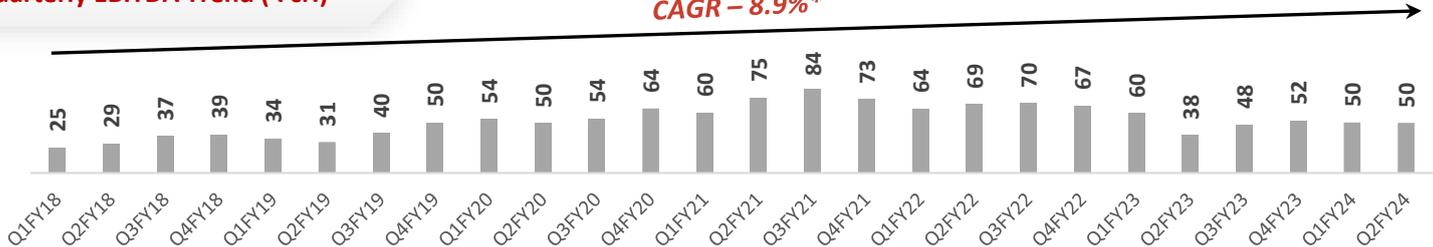
Quarterly Revenue Trend (₹ cr.)

CAGR – 10.1%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 8.9%*



*FY17-23 CAGR%





The facility management solutions segment comprises of five entities.

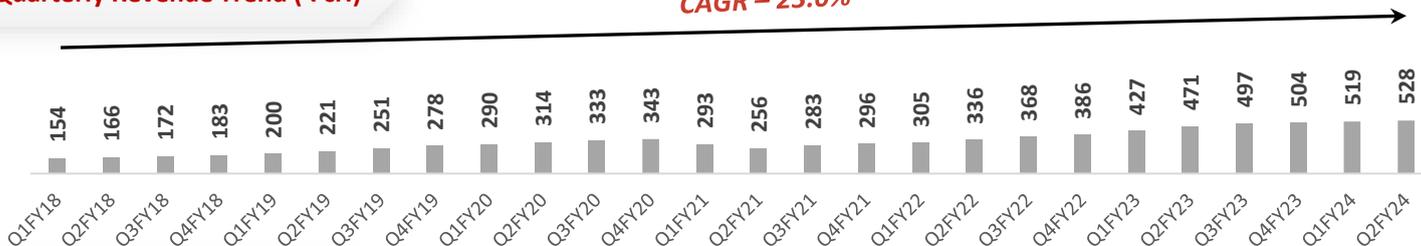
The Group operates the largest FM business in India.

- The FM business currently operates across 109 branches and has 82,539 employees.
- **Highest ever quarterly revenue:** The segment reported the highest ever quarterly revenue of INR 528 Cr. which was a 12.0% growth over Q2 FY23, thus demonstrating the strong growth potential of the business and continues to be the # 1 FM player in India. Major wins during the quarter came from the Healthcare, Manufacturing, Education, IT/ITes, and Pharma sectors.
- **Increasing demand for Technological solutions:** Technology is constantly advancing and there's been an increasing consciousness among customers on ESG today. As a leader of the segment, we are continuously working to deliver better value to our customers and there's been an increasing focus on eco-friendly operations, adoption of renewable energy, and reduction of carbon footprint in facilities in our solutions. We are also leveraging technologies like IoT, AI, data analytics for smart building management, predictive maintenance, energy optimization, and optimizing manpower through time and motion study. Additionally, a small proportion of client contracts are moving from services to SLA-based solution contracts.
- **Margin improvement initiatives:** The EBITDA margin for Q2 FY24 was 4.0% compared to 4.4% in Q2 FY23. EBITDA margins were impacted as the planned shedding of low profit contracts has commenced which has led to an overall decline in the EBITDA margin. This exercise is part of the overall margin improvement project which is the key focus of management, and a series of measures are being rolled out with a view to delivering a significant improvement in the margin profile.

Particulars (in ₹cr.)	Q2 FY24	Q2 FY23	Y-o-Y Change %	Q1 FY24	QoQ Change %
Revenue	527.9	471.1	12.0%	519.0	1.7%
EBITDA	21.0	20.8	0.6%	22.6	-7.1%
EBITDA%	4.0%	4.4%		4.4%	
Share of group Revenue%	17.2%	17.0%		17.4%	
Share of group EBITDA%	14.5%	19.0%		16.2%	

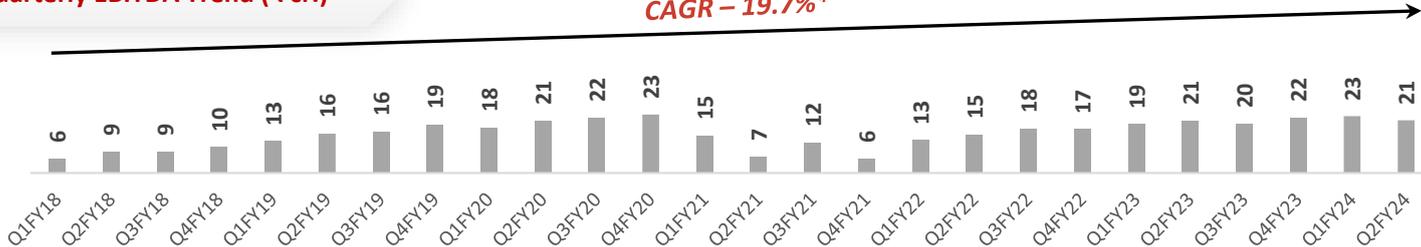
Quarterly Revenue Trend (₹ cr.)

CAGR – 23.0%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 19.7%*



*FY17-23 CAGR%





The Cash Logistics Solutions segment comprises of two entities

The Cash Logistics Solutions business is a JV with Prosegur of Spain, a world leader in cash solutions. We have a 49% holding in the JV which is the second largest cash logistics business in India.

- We operate over 3,000 cash vans and 60 vaults covering over 300 cities across India.
- **Bank Outsourcing and Support Solutions (BOSS) provider:** Our Cash Logistics Solutions business has now evolved into a Bank Outsourcing and Support Solutions (BOSS) provider and not a mere cash logistics provider. Today more than 70% of our contracts are directly with the Banks.

We are the leaders in Innovative solutions in the industry and only around 20% of our business is from traditional ATM business. Our New innovative solutions include bullion management, Man behind the counter, value cargo, Cash today and Cash Process Outsourcing (CPO), etc., and have demonstrated a promising revenue growth of 67% in Q2 FY24 over Q2 FY23.

- **Highest ever quarterly Revenues - Strong growth momentum continues:** The segment reported the highest ever quarterly revenue of INR 156.3 Cr. which was a 22.0% growth y-o-y, thus continuing the growth momentum. The revenue growth during the quarter was primarily driven by growth in the Cash in transit (CIT) business line.

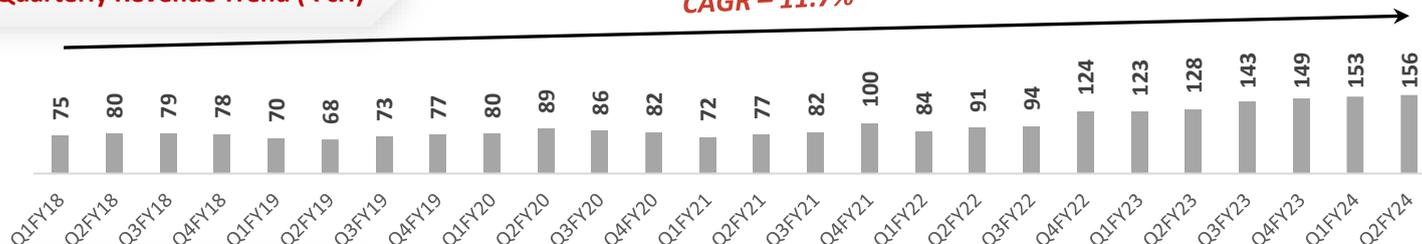
We are continuing to make steady progress in converting the ATM routes to compliance with the RBI/MHA guidelines with almost 90% of the ATMs we service having been converted. In addition, 17% of the ATMs serviced by us have been converted to the cassette swap mechanism which enhances security of the cash.

- **Highest ever quarterly EBITDA:** The segment reported the highest ever quarterly EBITDA of INR 25.2 Cr. a 14.4% increase over Q2 FY23 and an EBITDA margin of 16.1% which was a decline of 108 bps over Q2 FY23. The Q2 FY23 EBITDA margin was higher due to a one-off rationalization of provisions exercise done last year. The business recorded a PAT of INR 13.2 Cr., a 213.0% growth over the same quarter previous year.

Particulars (in ₹ cr.)	Q2 FY24	Q2 FY23	Y-o-Y Change %	Q1 FY24	QoQ Change %
Revenue	156.3	128.1	22.0%	152.9	2.3%
EBITDA	25.2	22.0	14.4%	24.0	5.2%
EBITDA%	16.1%	17.2%		15.7%	
PAT	13.2	4.2	213.0%	10.6	25.3%
PAT%	8.5%	3.3%		6.9%	

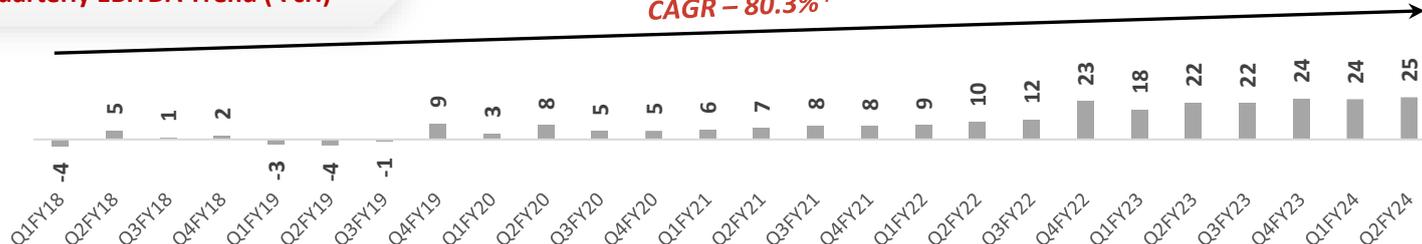
Quarterly Revenue Trend (₹ cr.)

CAGR – 11.7%*



Quarterly EBITDA Trend (₹ cr.)

CAGR – 80.3%*



*FY17-23 CAGR%



Independent Auditor's limited review report on unaudited consolidated financial results of SIS Limited for the quarter and six months ended September 30, 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of SIS Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of SIS Limited ("the Parent") and its subsidiaries/step down subsidiaries (the Parent and its subsidiaries/step down subsidiaries together referred to as "the Group"), its share of the net profits / (loss) after tax and total comprehensive income / (loss) of its joint ventures for the quarter and six months ended September 30, 2023 (the 'Statement') attached herewith, being prepared and submitted by the Parent pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereafter ('the Listing Regulations'), which has been initialed by us for identification purpose.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 the Institute of Chartered Accountants of India ("the ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the financial results of the entities as mentioned in Annexure below.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principle laid down in the aforesaid Indian Accounting Standard ('Ind AS') prescribed under Section 133 the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of 33 subsidiaries/step down subsidiaries included in the Statement, whose financial results includes total assets of Rs. 38,730.32 million as at September 30, 2023, and total revenue of Rs.19,595.51 million and Rs. 38,935.34 million, total net profit/ (loss) after tax of Rs. 340.18 million and Rs. 810.53 million, total comprehensive income of Rs. 388.78 million and Rs. 839.38 million for the quarter and six months ended September 30, 2023, respectively, and cash outflows (net) of Rs.1,696.36 million for the six months ended September 30, 2023. The consolidated financial results also include the Group share of net profit/ (loss) after tax of Rs. 65.64

SIS Limited (Consolidated) – Limited Review Q2 FY 23-24

Page 1 of 3



S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

million and Rs. 118.02 million and total comprehensive income / (loss) of Rs. 65.90 million and Rs. 118.10 million for the quarter and six months ended September 30, 2023 in respect of 5 joint ventures.

7. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/step down subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of matter stated in paragraph above.

8. We also did not review the standalone financial results of 2 foreign subsidiaries (Including one step down subsidiaries) whose financial results includes total assets of Rs. 427.89 million as at September 30, 2023, and total revenues of Rs. Nil and Rs. Nil, total net profit/ (loss) after tax of Rs. Nil and Rs. Nil, total comprehensive income of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2023, respectively, and cash outflows (net) of Rs. Nil for the six months ended September 30, 2023. included in the statement which have been prepared by the management of respective subsidiaries/ step down subsidiaries and furnished to us by the management. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the matter stated in paragraph above.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm Reg. No. – 000756N



Naveen Aggarwal
Partner
Membership No. – 094380
UDIN No. - 23094380BGUNDQ7256



Place: New Delhi
Date: October 30, 2023

Annexure to Auditor's Limited Review Report

List of subsidiaries / step down subsidiaries

1. SMC Integrated Facility Management Solutions Limited (formerly known as Service Master Clean Limited)
2. Tech SIS Limited
3. Terminix SIS India Private Limited
4. SIS Business Support Services and Solutions Private Limited
5. Dusters Total Solutions Services Private Limited
6. SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)
7. SLV Security Services Private Limited
8. Rare Hospitality and Services Private Limited
9. Uniq Security Solutions Private Limited
10. Uniq Detective and Security Services (Tamilnadu) Private Limited
11. Uniq Detective and Security Services (AP) Private Limited
12. Uniq Facility Services Private Limited
13. SIS Alarm Monitoring and Response Services Private Limited
14. ADIS Enterprises Private Limited
15. ONE SIS Solutions Private Limited
16. SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited)
17. SIS Security Asia Pacific Holdings Pte. Ltd. (formerly known as SIS Asia Pacific Holdings Limited)
18. SIS Australia Holdings Pty Ltd
19. SIS Australia Group Pty Ltd
20. SIS Group International Holdings Pty Ltd
21. MSS Strategic Medical and Rescue Pty Ltd
22. SIS MSS Security Holdings Pty Ltd
23. MSS Security Pty Ltd
24. Australian Security Connections Pty Ltd
25. Southern Cross Protection Pty Ltd
26. Askara Pty Ltd
27. Charter Security Protective Services Pty Ltd
28. Platform 4 Group Ltd
29. SIS Henderson Holdings Pte Ltd
30. Henderson Security Services Pte Ltd
31. Henderson Technologies Pte Ltd
32. Triton Security Services Ltd
33. Safety Direct Solutions Pty Ltd
34. Safety Direct Solutions Pty Ltd NZ
35. One SIS Residential Solutions Private Limited (w.e.f. August 31, 2023)

List of Joint Ventures:

1. SIS Cash Services Private Limited
2. SIS Prosecur Holdings Private Limited
3. SIS Prosecur Cash Logistics Private Limited
4. SIS-Prosecur Cash Services Private Limited
5. Habitat Security Pty Limited



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

Statement of consolidated financial results for the quarter and six months ended September 30, 2023

Sl No.	Particulars	(Figures in INR million except per share data)					
		Quarter ended			Six months ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from operations	30,736.25	29,767.29	27,676.60	60,503.54	54,458.40	113,457.80
	b) Other income	107.18	81.29	43.54	188.47	83.66	264.68
	c) Other gain / (loss)	17.86	6.35	37.54	24.21	64.84	62.74
	Total Income (a + b + c)	30,861.29	29,854.93	27,757.68	60,716.22	54,606.90	113,785.22
2	Expenses						
	a) Cost of materials consumed	155.86	156.79	145.89	312.65	269.91	583.38
	b) Purchases of inventory	342.09	142.80	104.83	484.89	155.30	460.57
	c) Changes in inventory	-15.70	2.82	18.65	-12.88	37.06	24.71
	d) Employee benefits expense	25,280.47	24,311.79	22,780.97	49,592.26	44,249.96	92,012.39
	e) Finance costs	347.15	327.35	275.41	674.50	522.06	1,148.91
	f) Depreciation and amortization expenses	403.74	357.54	330.98	761.28	616.92	1,346.81
	g) Other expenses	3,528.92	3,762.69	3,528.68	7,291.61	7,441.37	15,461.48
	Total expenses (a + b + c + d + e + f + g)	30,042.53	29,061.78	27,185.41	59,104.31	53,292.58	111,038.25
3	Share of profit / (loss) of associates / joint ventures	65.64	52.38	21.57	118.02	25.41	102.13
4	Profit / (loss) before exceptional items and tax (1-2+3)	884.40	845.53	593.84	1,729.93	1,339.73	2,849.10
5	Exceptional items	-	-	-	-	-	-
6	Profit / (loss) before tax (4-5)	884.40	845.53	593.84	1,729.93	1,339.73	2,849.10
7	Tax expense / (credit)						
	Current tax	118.72	35.89	16.90	154.61	200.25	421.49
	Deferred tax	12.91	-85.41	-97.39	-72.50	-360.29	-1,037.41
	Total tax expense / (credit)	131.63	-49.52	-80.49	82.11	-160.04	-615.92
8	Profit / (loss) for the period (6-7)	752.77	895.05	674.33	1,647.82	1,499.77	3,465.02
9	Other comprehensive income						
	Items that will be reclassified to profit or loss:						
	a) Foreign exchange gain / (loss) on monetary items included in Net Investment in a foreign subsidiary	-181.44	-85.88	-319.04	-267.32	-608.40	-101.51
	b) Income tax relating to these items	-	-	-	-	-	-
	Items that will not be reclassified to profit or loss:						
	a) Remeasurement of defined benefit plan	8.47	-5.71	16.14	2.76	99.52	123.88
	b) Income tax relating to these items	-2.13	1.44	-4.06	-0.69	-25.05	-31.18
	c) Share of other comprehensive income of associates / joint ventures	0.26	-0.18	0.56	0.08	3.44	2.57
	Other comprehensive income / (loss) for the period (net of taxes)	-174.84	-90.33	-306.40	-265.17	-530.49	-6.24
10	Total comprehensive income / (loss) for the period (8+9)	577.93	804.72	367.93	1,382.65	969.28	3,458.78
11	Profit attributable to:						
	Owners of the Parent	752.77	895.05	674.33	1,647.82	1,498.64	3,463.89
	Non-controlling interests	-	-	-	-	1.13	1.13
12	Other comprehensive income attributable to:						
	Owners of the Parent	-174.84	-90.33	-306.40	-265.17	-530.49	-6.24
	Non-controlling interest	-	-	-	-	-	-
13	Total comprehensive income / (loss) attributable						
	Owners of the Parent	577.93	804.72	367.93	1,382.65	968.15	3,457.65
	Non-controlling interest	-	-	-	-	1.13	1.13
14	Paid-up equity share capital (face value of INR 5/- per share)	728.66	728.65	735.87	728.66	735.87	728.65
15	Reserves i.e. Other equity	24,028.34	23,437.77	21,049.31	24,028.34	21,049.31	22,604.28
16	Earnings Per Share (EPS) (INR. 5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	(a) Basic (INR)	5.17	6.14	4.58	11.31	10.20	23.64
	(b) Diluted (INR)	5.12	6.09	4.54	11.21	10.11	23.43

Please see the accompanying notes to the financial results



SIS Limited

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

CIN: L75230BR1985PLC002083

Statement of consolidated assets and liabilities as at September 30, 2023

Particulars		(Figures in INR million)	
		September 31, 2023	March 31, 2023
		(Unaudited)	(Audited)
A	ASSETS		
	Non – current assets		
	Property, plant and equipment	3,399.34	3,105.88
	Capital work-in-progress	204.25	194.93
	Goodwill	11,156.62	11,395.11
	Other intangible assets	1,568.41	1,769.25
	Intangible assets under development	355.14	217.46
	Investments in joint ventures	628.81	513.49
	Financial assets		
	(i) Investments	366.28	366.27
	(ii) Other non-current financial assets	486.13	699.50
	Deferred tax assets (net)	3,933.81	3,906.72
	Income tax assets (net)	2,890.31	2,498.51
	Other non – current assets	30.36	16.93
	Total non – current assets	25,019.46	24,684.05
	Current assets		
	Inventories	316.72	314.28
	Financial assets		
	(i) Investments	54.19	103.22
	(ii) Trade receivables	18,215.26	16,777.06
	(iii) Cash and cash equivalents	5,248.82	6,656.18
	(iv) Bank balances other than in (iii) above	1,309.01	853.50
	(v) Other current financial assets	8,257.16	6,407.88
	Other current assets	1,923.16	1,328.65
	Assets classified as held for distribution to shareholders of subsidiary	2.22	2.22
	Total current assets	35,326.54	32,442.99
	Total assets	60,346.00	57,127.04
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	728.66	728.65
	Other equity	24,028.34	22,604.28
	Equity attributable to owners	24,757.00	23,332.93
	Non-controlling interests	-	-
	Total equity	24,757.00	23,332.93
	Liabilities		
	Non – current liabilities		
	Financial liabilities		
	(i) Borrowings	7,113.21	8,031.84
	(ia) Lease Liabilities	985.60	921.26
	(ii) Other Financial Liabilities	56.70	52.69
	Provisions	1,841.97	1,749.64
	Deferred tax liabilities (net)	404.61	430.40
	Total non- current liabilities	10,402.09	11,185.83
	Current liabilities		
	Financial liabilities		
	(i) Borrowings	8,775.02	7,191.17
	(ia) Lease liabilities	338.55	330.66
	(ii) Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	121.46	53.23
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	505.63	585.85
	(iii) Other current financial liabilities	9,496.97	8,521.48
	Other current liabilities	1,947.80	1,964.86
	Provisions	3,998.12	3,958.21
	Income tax liabilities (net)	0.54	-
	Liabilities classified as held for distribution to shareholders of subsidiary	2.82	2.82
	Total current liabilities	25,186.91	22,608.28
	Total liabilities	35,589.00	33,794.11
	Total equity and liabilities	60,346.00	57,127.04



SIS Limited		
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna - 800010 CIN: L75230BR1985PLC002083		
Consolidated statement of cash flows for the six months ended September 30, 2023		
Particulars	(Figures in INR million)	
	September 30, 2023	September 30, 2022
	(Unaudited)	(Unaudited)
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,729.93	1,339.73
Adjusted for:		
Depreciation and amortization expenses	761.28	616.92
Unrealised Foreign exchange (gain) / loss	-18.64	-41.82
Net (gain) / loss on sale of property, plant and equipment	-9.30	-22.96
Finance costs	674.50	522.06
Interest income classified as investing cash flows	-188.47	-83.73
Provision for doubtful debts	113.11	110.74
Employee stock option compensation expense	28.27	42.18
Other non-cash items	-118.02	-25.00
Operating profit / (loss) before changes in working capital	2,972.66	2,458.12
Changes in working capital:		
Decrease / (increase) in trade receivables	-1,715.12	-1,332.43
Decrease / (increase) in inventories	-2.86	34.86
Decrease / (increase) in other current assets	-572.24	-575.49
Decrease / (increase) in other current financial assets	-1,885.12	-1,809.76
(Decrease) / increase in trade payables	-7.14	-38.57
(Decrease) / increase in provisions	246.58	221.33
(Decrease) / increase in other current liabilities	-17.40	31.70
(Decrease) / increase in other current financial liabilities	1,216.86	1,698.15
Decrease / (increase) in other non-current assets	-	2.58
Decrease / (increase) in other non-current financial assets	12.46	57.48
(Decrease) / increase in other non-current financial liabilities	-0.23	-19.89
Cash (used in) / generated from operations	248.45	728.08
Direct tax (paid), net of refunds	-577.37	-975.27
Net cash inflow / (outflow) from operating activities	-328.92	-247.19
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment and changes in capital work-in-progress	-892.74	-706.59
Proceeds from sale / disposal of property, plant and equipment	29.94	53.84
Proceeds from redemption of investments	50.00	-
Investments made	-	-346.45
Investment in fixed deposits	-425.80	-
Redemption of fixed deposits	194.10	84.33
Acquisition of subsidiary's non-controlling interest	-	-7.77
Changes in restricted balances	-25.54	-26.47
Interest received	165.27	71.39
Dividend received	2.71	1.34
Net cash inflow / (outflow) from investing activities	-902.06	-876.38
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (net of share issue expenses)	0.01	0.70
Foreign exchange gain / (loss) realized	-0.91	-0.24
Proceeds from term loans	543.23	781.01
Repayment of term loans	-1,129.14	-388.37
Interest paid	-662.02	-359.74
Payment of lease liabilities	-242.80	-184.45
Net cash inflow / (outflow) from financing activities	-1,491.63	-151.09
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	-2,722.61	-1,274.66
E Cash and cash equivalents at the beginning of the period	1.94	1,951.72
F Translation adjustments	-86.62	-196.12
Cash and cash equivalents at the end of the period (D+E+F)	-2,807.29	480.94

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprises of followings:			
	Particulars	September 30, 2023	September 31, 2022
	Cash and cash equivalents at the end of the period	5,248.82	6,965.53
	Cash credit at the end of the period	-8,056.11	-6,484.59
	Balances as per statement of cash flows	-2,807.29	480.94



Notes to the consolidated financial results:

1. The Statement of unaudited consolidated financial results (“the Statement”) of SIS Limited (the “Parent” or “Company”) including its subsidiaries (collectively known as the “Group”), its joint venture entities for the quarter and six months ended September 30, 2023 have been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on October 30, 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 six months ended September 30, 2023 which needs to be explained.
3. The consolidated results have been prepared in accordance with the principles and procedures of Indian Accounting Standards (“Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as prescribed in Section 133 of the Companies Act, 2013 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and other recognized accounting practices and policies.
4. During the quarter ended September 30, 2023, upon exercise of vested stock options by the eligible employees, the Parent has allotted 3,312 equity shares of INR 5 each. Consequent to said allotment, the paid-up equity share capital of the Parent stands at INR 728,663,765 divided into 145,732,753 equity shares of INR 5 each.
5. During the quarter ended September 30, 2023, based on the recommendation of the Nomination and Remuneration Committee, the Board of the Parent has approved the re-appointment of Mr. Rajan Verma (DIN: 09243467) as an Independent Director for a second and final term of 2 years effective July 28, 2023 and the same was approved by the shareholders through postal ballot on September 7, 2023.

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


Ravindra Kishore Sinha
Chairman

Place: New Delhi
Date: October 30, 2023



SIS Limited Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna - 800010 CIN: L75230BR1985PLC002083 Consolidated segment-wise revenue, results, assets and liabilities for the quarter and six months ended September 30, 2023						
Particulars	(Figures in INR million)					
	Quarter ended			Six months ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 31, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
Security services – India	13,020.03	12,290.92	11,491.23	25,310.95	22,079.52	46,261.03
Security services – International	12,591.33	12,427.05	11,613.21	25,018.38	23,664.20	48,759.17
Facilities management	5,279.17	5,189.87	4,723.82	10,469.04	8,988.87	18,998.28
Less: Inter- segment elimination	-154.28	-140.55	-151.66	-294.83	-274.19	-560.68
Total revenue from operations	30,736.25	29,767.29	27,676.60	60,503.54	54,458.40	113,457.80
Segment EBITDA						
Security services – India	736.74	661.56	512.74	1,398.30	929.87	2,118.87
Security services – International	498.15	503.07	378.84	1,001.22	975.14	1,980.09
Facilities management	209.72	225.78	206.58	435.50	400.38	817.82
Less: Inter- segment elimination	-	-0.01	-0.58	-0.01	-0.59	-1.51
Total EBITDA	1,444.61	1,390.40	1,097.58	2,835.01	2,304.80	4,915.27
Share of net profit / (loss) from associates / joint ventures	65.64	52.38	21.57	118.02	25.41	102.13
Other income and gains	125.04	87.64	81.08	212.68	148.50	327.42
Other gains / (losses) and effect of entries resulting from consolidation and business combination accounting	-26.71	-27.52	-15.42	-54.23	-24.65	-75.84
Finance costs	-346.60	-326.81	-275.24	-673.41	-521.89	-1,148.51
Depreciation	-377.58	-330.56	-315.73	-708.14	-592.44	-1,271.37
Unallocated corporate expenses	-	-	-	-	-	-
Exceptional items	-	-	-	-	-	-
Total profit before tax	884.40	845.53	593.84	1,729.93	1,339.73	2,849.10
Particulars	As at September 30, 2023	As at June 30, 2023	As at September 30, 2022	As at September 31, 2023	As at September 30, 2022	As at March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment assets						
Security services – India	28,029.84	26,576.78	24,050.43	28,029.84	24,050.43	25,013.14
Security services – International	22,797.01	22,671.49	22,993.20	22,797.01	22,993.20	23,478.11
Facilities management	9,519.15	9,114.57	7,894.97	9,519.15	7,894.97	8,635.79
Unallocated	-	-	-	-	-	-
Total	60,346.00	58,362.84	54,938.60	60,346.00	54,938.60	57,127.04
Segment liabilities						
Security services – India	16,996.06	15,934.28	14,700.94	16,996.06	14,700.94	14,824.41
Security services – International	13,349.78	13,228.87	14,165.05	13,349.78	14,165.05	14,197.11
Facilities management	5,243.16	5,033.27	4,287.43	5,243.16	4,287.43	4,772.59
Unallocated	-	-	-	-	-	-
Total	35,589.00	34,196.42	33,153.42	35,589.00	33,153.42	33,794.11

The Group is currently focused on three business groups, viz., Security Services (India), Security Services (International) and Facility Management. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them. The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Group Management Committee, which is the Chief Operating Decision Maker.

The business groups comprise the following:

- Security Services (India) – Guarding, Electronic security and home alarm monitoring and response services
- Security Services (International) – Guarding, Mobile patrols, Emergency medical response and rescue, Loss prevention and allied services
- Facilities Management – Housekeeping, Cleaning, Facility operation & management and Pest control services

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


Ravindra Kishore Sinha
Chairman



Place: New Delhi
Date: October 30, 2023

Independent Auditor's Limited Review Report on unaudited standalone financial results of SIS Limited for the quarter and six months ended September 30, 2023, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of SIS Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of SIS Limited ('the Company') for the quarter and six months ended September 30, 2023 ('the Statement') attached herewith, being prepared and submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), which has been initialed by us for identification purpose.
2. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant Rules issued thereunder and other accounting principles generally accepted in India, read with the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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 the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of person responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in all material respects in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder including the amendments thereof and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. no. - 000756N



Naveen Aggarwal
Partner
Membership No. - 094380
UDIN: 23094380BGUNDR4696
Place: New Delhi
Date: October 30, 2023



SIS Limited

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

CIN: L75230BR1985PLC002083

Statement of standalone financial results for the quarter and six months ended September 30, 2023

Sl. No.	Particulars	(Figures in INR million except per share data)					
		Quarter ended			Year ended		
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Income						
1	a) Revenue from operations	11,489.07	10,701.83	9,864.98	22,190.90	18,968.25	39,848.72
	b) Other income	44.38	42.33	29.56	86.71	60.60	694.26
	c) Other gain / (loss)	1.04	-5.31	-1.62	-4.27	-0.79	-1.90
	Total income (a + b + c)	11,534.49	10,738.85	9,892.92	22,273.34	19,028.06	40,541.08
	Expenses						
	a) Purchases of inventory	306.63	109.56	96.04	416.19	183.53	433.48
	b) Change in inventory	-23.12	-1.23	-4.05	-24.35	3.71	-3.37
2	c) Employee benefits expense	9,947.86	9,439.29	8,763.85	19,387.15	16,948.64	35,302.02
	d) Finance costs	220.14	199.95	160.82	420.09	301.76	670.45
	e) Depreciation and amortization expense	175.29	131.29	145.01	306.58	257.39	542.61
	f) Other expenses	578.09	546.48	560.15	1,124.57	1,013.40	2,246.77
	Total expenses (a + b + c + d + e + f)	11,204.89	10,425.34	9,721.82	21,630.23	18,708.43	39,191.96
3	Profit / (loss) before exceptional items and tax (1-2)	329.60	313.51	171.10	643.11	319.63	1,349.12
4	Exceptional items	-	-	-	-	-	-
5	Profit / (loss) before tax (3-4)	329.60	313.51	171.10	643.11	319.63	1,349.12
6	Tax expense / (credit)						
	Current tax	-	-	4.59	-	4.59	114.11
	Deferred tax	-36.88	-97.59	-33.07	-134.47	-138.01	-666.29
	Total tax expense / (credit)	-36.88	-97.59	-28.48	-134.47	-133.42	-552.18
7	Profit / (loss) for the period (5-6)	366.48	411.10	199.58	777.58	453.05	1,901.30
8	Other comprehensive income / (loss)						
	Items that will not be reclassified to profit or loss						
	a) Re-measurement of defined benefit plan	5.26	-3.55	10.43	1.71	64.32	87.91
	b) Income tax relating to these items	-1.32	0.89	-2.63	-0.43	-16.19	-22.12
	Other comprehensive income / (loss) for the period (net of taxes)	3.94	-2.66	7.80	1.28	48.13	65.79
9	Total comprehensive income / (loss) for the period (7+8)	370.42	408.44	207.38	778.86	501.18	1,967.09
10	Paid-up equity share capital (face value of INR 5/- per share)	728.66	728.65	735.87	728.66	735.87	728.65
11	Reserves i.e. Other equity	9,558.15	9,175.08	8,201.14	9,558.15	8,201.14	8,737.87
12	Earnings Per Share (EPS) (INR 5/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	(a) Basic (INR)	2.51	2.82	1.36	5.34	3.08	12.97
	(b) Diluted (INR)	2.49	2.80	1.34	5.29	3.05	12.86

Please see the accompanying notes to the financial results



Statement of standalone assets and liabilities as at September 30, 2023

Particulars		(Figures in INR million)	
		September 30, 2023 (Unaudited)	March 31, 2023 (Audited)
A	ASSETS		
	Non – current assets		
	Property, plant and equipment	1,750.69	1,348.44
	Capital work-in-progress	185.89	180.15
	Other intangible assets	101.52	128.25
	Intangible assets under development	181.15	136.71
	Financial assets		
	(i) Investments	5,775.60	5,733.59
	(ii) Other non-current financial assets	350.75	459.89
	Deferred tax assets (net)	1,823.87	1,689.83
	Income tax assets	1,536.30	1,204.96
	Other non – current assets	34.90	30.49
	Total non – current assets	11,740.67	10,912.31
	Current assets		
	Inventories	174.92	150.57
	Financial assets		
	(i) Investments	175.81	179.89
	(ii) Trade receivables	7,709.45	6,863.07
	(iii) Cash and cash equivalents	1,133.54	1,002.49
	(iv) Bank balances other than in (ii) above	635.15	536.43
	(v) Other current financial assets	4,109.36	2,948.50
	Other current assets	789.19	629.86
	Total current assets	14,727.42	12,310.81
	Total assets	26,468.09	23,223.12
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	728.66	728.65
	Other equity	9,558.15	8,737.87
	Total equity	10,286.81	9,466.52
	Liabilities		
	Non – current liabilities		
	Financial liabilities		
	(i) Borrowings	2,966.29	2,904.53
	(ia) Lease liability	570.18	398.52
	(ii) Other non-current financial liabilities	6.24	1.47
	Provisions	947.20	813.45
	Total non- current liabilities	4,489.91	4,117.97
	Current liabilities		
	Financial liabilities		
	(i) Borrowings	6,097.93	4,704.82
	(ia) Lease liability	117.98	96.93
	(ii) Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	43.78	24.30
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	351.83	199.88
	(iii) Other current financial liabilities	3,707.98	3,234.02
	Other current liabilities	1,180.34	1,201.18
	Provisions	191.53	177.50
	Total current liabilities	11,691.37	9,638.63
	Total liabilities	16,181.28	13,756.60
	Total equity and liabilities	26,468.09	23,223.12



SIS Limited		
Registered office : Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna – 800010		
CIN: L75230BR1985PLC002083		
Standalone statement of cash flows for the six months ended September 30, 2023		
Particulars	(Figures in INR million)	
	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	643.11	319.63
Adjusted for:		
Depreciation and amortization expenses	306.58	257.39
Unrealised foreign exchange (gain) / loss	0.61	1.96
Net (gain) /loss on sale of property, plant and equipment	-0.06	-1.14
Finance costs	420.09	301.76
Interest income classified as investing cash flows	-83.84	-58.46
Dividend Income	-2.88	-2.16
Provision for doubtful debts	64.80	64.80
Employee stock option compensation expense	28.27	42.18
Operating profit/(loss) before changes in working capital	1,376.68	925.96
Changes in working capital:		
Decrease / (increase) in trade receivables	-911.18	-918.48
Decrease / (increase) in inventories	-24.36	-3.71
Decrease / (increase) in other current assets	-146.19	-105.53
Decrease / (increase) in other current financial assets	-1,109.43	-1,062.62
(Decrease) / increase in trade payables	171.43	40.50
(Decrease) / increase in provisions	149.48	120.96
(Decrease) / increase in other current liabilities	-21.44	13.68
(Decrease) / increase in other current financial liabilities	540.14	444.23
Decrease / (increase) in other non-current assets	-	2.58
Decrease / (increase) in other non-current financial assets	0.55	54.62
(Decrease) / increase in other non-current financial liabilities	3.78	-1.96
Cash (used in) / generated from operations	29.46	-489.77
Direct (tax paid), net of refunds	-331.33	-378.81
Net cash inflow / (outflow) from operating activities	-301.87	-868.58
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment and changes in capital work-in-progress	-570.26	-444.90
Proceeds from sale / disposal of property, plant and equipment	8.05	6.35
Investments in subsidiaries	-30.10	-17.77
Other Investments made	-	-63.29
Investment in fixed deposits	-63.53	-21.45
Redemption of fixed deposits	73.84	-
Interest received	26.23	44.69
Dividend received	2.88	2.16
Net cash inflow / (outflow) from investing activities	-552.89	-494.21
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (net of share issue expenses)	0.01	0.70
Proceeds from term loans	482.30	339.19
Repayment of term loans	-183.55	-145.68
Interest paid	-377.03	-190.69
Payment of lease liabilities	-87.41	-76.79
Net cash inflow / (outflow) from financing activities	-165.68	-73.27
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	-1,020.44	-1,436.06
E Cash and cash equivalents at the beginning of the period	1,002.49	1,303.00
F Cash credit at the beginning of the period	-4,415.09	-3,288.46
Cash and cash equivalents at the end of the period (D+E+F)	-4,433.04	-3,421.52

For the purpose of standalone statement of cash flows, cash and cash equivalents comprises of followings:			
	Particulars	September 30, 2023	September 30, 2022
	Cash and cash equivalents at the end of the period	1,133.54	985.64
	Cash credit at the end of the period	-5,566.58	-4,407.16
	Balances as per statement of cash flows	-4,433.04	-3,421.52



Notes to the standalone financial results:

1. The Statement of unaudited standalone financial results (“the Statement”) of the Company for the quarter and six months ended September 30, 2023 has been reviewed by the Audit Committee and, thereafter, approved by the Board of Directors at its meeting held on October 30, 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 six months ended September 30, 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 September 30, 2023, upon exercise of vested stock options by the eligible employees, the Company has allotted 3,312 equity shares of INR 5 each. Consequent to said allotment, the paid-up equity share capital of the Company stands at INR 728,663,765 divided into 145,732,753 equity shares of INR 5 each.
5. During the quarter ended September 30, 2023, based on the recommendation of the Nomination and Remuneration Committee, the Board of the Company has approved the re-appointment of Mr. Rajan Verma (DIN: 09243467) as an Independent Director for a second and final term of 2 years effective July 28, 2023 and the same was approved by the shareholders through postal ballot on September 7, 2023.
6. In accordance with IND-AS 108, Operating segments, segment information has been provided in the unaudited consolidated financial results of the Group and, therefore, no separate disclosure on segment information is given in this unaudited standalone financial result.

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


Ravindra Kishore Sinha
Chairman

Place: New Delhi
Date: October 30, 2023

