



A Market Leader in
Security, Cash Logistics
& Facility Management

SIS LIMITED
**(Formerly known as ‘SECURITY AND
INTELLIGENCE SERVICES
(INDIA) LIMITED’)**

CIN: L75230BR1985PLC002083

FINANCIAL STATEMENTS

FY 2021-22



SIS LIMITED (formerly known as 'Security and Intelligence Services (India) Limited')

All amounts in INR million, unless stated otherwise

S No	Particulars	Year ended	
		March 31, 2022	March 31, 2021
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from issue of share capital (net of share issue expenses)	2.47	8.56
	Buyback of equity shares including transaction cost and tax	(1,241.57)	-
	Proceeds from term loans	219.00	12.77
	Repayment of term loans	(132.92)	(229.95)
	Bonds/debentures issued / (repaid/redeemed)	(1,499.79)	1,900.00
	Interest paid	(677.01)	(593.78)
	Changes in lease liability	(130.31)	(127.88)
	Net cash inflow / (outflow) from financing activities	(3,460.13)	969.72
D.	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,057.37)	2,276.09
E.	Cash and cash equivalents at the beginning of the year	(928.09)	(3,204.18)
	Cash and cash equivalents at the end of the year (D+E)	(1,985.46)	(928.09)

Reconciliation of cash and cash equivalents as per the statement of the cash flows			
		March 31, 2022	March 31, 2021
	Cash and cash equivalents as per above comprise of the following:		
	Cash and cash equivalents	1,303.00	2,061.91
	Cash credit	(3,288.46)	(2,990.00)
	Balances as per statement of cash flows	(1,985.46)	(928.09)

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For Saxena & Saxena
Chartered Accountants
(Firm's Registration. No. 006103N)

For and on behalf of the Board of Directors

CA. Dilip Kumar
(Partner)
Membership No. 082118



Ravindra Kishore Sinha
Chairman
(DIN: 00945635)

Rituraj Kishore Sinha
Managing Director
(DIN: 00477256)

Arvind Kumar Prasad
Director - Finance
(DIN: 02865273)

Place: New Delhi
Date: May 04, 2022

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer
(India)

Pushpalatha Katkuri
Company Secretary

SIS LIMITED (formerly known as 'Security and Intelligence Services (India) Limited')

All amounts in INR million, unless stated otherwise

2.3 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- (ii) Held primarily for the purpose of trading;
- (iii) Expected to be realised within twelve months after the reporting period; or
- (iv) Cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

All other assets are classified as non-current.

A liability is current when it is:

- (i) Expected to be settled in the normal operating cycle;
- (ii) Held primarily for the purpose of trading;
- (iii) Expected to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments, do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Property, plant and equipment

Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Items of property, plant and equipment ('PPE') are initially recognized at cost. Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, asset retirement obligation and costs directly attributable towards bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Subsequent expenditure related to an item of property, plant and equipment is added to its carrying value only when it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the year during which such expenses are incurred.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work-in-progress ('CWIP').

Advances given towards purchase of an item of property, plant and equipment outstanding as at each balance sheet date are disclosed under other non-financial assets.

Depreciation

The Company depreciates property, plant and equipment over the estimated useful lives using the written down value method from the date, the assets are available for use.

The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	60 years
Plant and machinery	5 to 15 years
Leasehold improvement	Shorter of useful life or lease period
Right-of-use assets	Lease period
Computer equipment	3 years
Furniture and fixtures	10 years
Office Equipment	5 years
Vehicles	8 years

Based on technical assessment, the useful lives as given above best represent the period over which the management expects to use these assets. The estimated useful lives for these assets may therefore be different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values are generally not more than 5% of the original cost of the asset. The asset's residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Additions are depreciated on a pro-rata basis from the date, the asset is available for use till the date the assets are derecognised.

An item of property, plant and equipment and any significant part, initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss when the asset is derecognised.

c) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.



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All amounts in INR million, unless stated otherwise

4. Property, plant and equipment

Year ended March 31, 2021

Description of assets	Gross block			Accumulated depreciation			Net carrying value as at March 31, 2021		
	As at April 1, 2020	Additions during the year	Sale and adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year		Sale and adjustments	As at March 31, 2021
Buildings (refer note below)	580.34	78.31	(3.62)	655.03	140.57	126.75	(2.13)	265.19	389.84
Leasehold improvement	146.25	7.52	(2.46)	151.31	66.26	32.95	(2.28)	96.93	54.38
Plant and machinery	162.41	27.82	-	190.23	55.68	32.95	-	88.63	101.60
Furniture and fixture	472.90	15.22	(0.06)	488.06	280.59	49.49	(0.02)	330.06	158.00
Vehicles	413.94	22.11	(19.89)	416.16	186.08	73.81	(17.05)	242.84	173.32
Office equipment	481.72	42.46	(116.34)	407.84	313.99	70.85	(99.76)	285.08	122.76
Computer equipment	105.18	4.29	-	109.47	73.37	17.52	-	90.89	18.58
Capital work-in-progress	2,362.74	197.73	(142.37)	2,418.10	1,116.54	404.32	(121.24)	1,399.62	1,018.48
	10.64	-	(10.64)	-	-	-	-	-	-
Grand total	2,373.38	197.73	(153.01)	2,418.10	1,116.54	404.32	(121.24)	1,399.62	1,018.48

Year ended March 31, 2022

Description of assets	Gross block			Accumulated depreciation			Net carrying value as at March 31, 2022		
	As at April 1, 2021	Additions during the year	Sale and adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year		Sale and adjustments	As at March 31, 2022
Buildings (refer note below)	655.03	109.88	(11.00)	753.91	265.19	122.62	(1.94)	385.87	368.04
Leasehold improvement	151.31	31.03	-	182.34	96.93	22.16	-	119.09	63.25
Plant and machinery	190.23	213.90	-	404.13	88.63	48.54	-	137.17	266.96
Furniture and fixture	488.06	25.95	-	514.01	330.06	41.86	-	371.92	142.09
Vehicles	416.16	161.34	(47.83)	529.67	242.84	62.55	(37.67)	267.72	261.95
Office equipment	407.84	44.40	(1.35)	450.89	285.08	60.60	(1.09)	344.59	106.30
Computer equipment	109.47	15.88	-	125.35	90.89	9.57	-	100.46	24.89
Capital work-in-progress	2,418.10	602.38	(60.18)	2,960.30	1,399.62	367.90	(40.70)	1,726.82	1,233.48
	-	-	-	-	-	-	-	-	-
Grand total	2,418.10	602.38	(60.18)	2,960.30	1,399.62	367.90	(40.70)	1,726.82	1,233.48



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(i) Details for right-of-use assets is as below

Particulars	Building	Total
Balance as on March 31, 2020	358.18	358.18
Additions during the year	52.93	52.93
Derecognised during the year	(1.48)	(1.48)
Depreciation during the year	(122.74)	(122.74)
Balance as on March 31, 2021	286.89	286.89
Additions during the year	109.88	109.88
Derecognised during the year	(0.59)	(0.59)
Depreciation during the year	(117.63)	(117.63)
Balance as on March 31, 2022	278.55	278.55

Refer note 16 for disclosure of related lease liabilities.

(ii) **Capital work in progress (CWIP)**

Capital work in progress (CWIP) as at March 31, 2021 comprises expenditure for building in the course of construction which got capitalized during the year ended March 31, 2021 as reflected above in sale and adjustments.

(iii) **Property, Plant and Equipment pledged as security**

Refer note 15 for information on Property, plant and equipment pledged as security by the Company.

(iv) **Contractual obligations**

Refer note 34(a) for disclosure on contractual commitments for acquisition of Property, plant and equipment.



SIS LIMITED (formerly known as 'Security and Intelligence Services (India) Limited')

All amounts in INR million, unless stated otherwise

5. Other intangible assets

Year ended March 31, 2021

Description of assets	Gross block			Accumulated amortisation			Net carrying value as at March 31, 2021
	As at April 1, 2020	Additions during the year	Sale and adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	
Computer software *	91.77	-	-	91.77	74.36	10.43	84.79
Intangible assets under development	41.03	73.04	-	114.07	-	-	-
Grand Total	132.80	73.04	-	205.84	74.36	10.43	84.79

Year ended March 31, 2022

Description of assets	Gross block			Accumulated amortisation			Net carrying value as at March 31, 2022
	As at April 1, 2021	Additions during the year	Sale and adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	
Computer software *	91.77	10.25	-	102.02	84.79	10.70	95.49
Intangible assets under development	114.07	97.33	-	211.40	-	-	-
Grand Total	205.84	107.58	-	313.42	84.79	10.70	95.49

* Computer software consists of purchased software licenses and development costs of existing Enterprise Resource Planning (ERP) software.

i) Intangible assets under development

Year ended March 31, 2021

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
- Project in progress	73.04	26.79	14.24	-	114.07
Total	73.04	26.79	14.24	-	114.07

Year ended March 31, 2022

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
- Project in progress	98.11	72.49	26.56	14.24	211.40
Total	98.11	72.49	26.56	14.24	211.40

Intangible assets under development consist of expenditure on development of a new Enterprise Resource Planning (ERP) software.

ii) Estimated remaining useful life of other intangible assets are as follows:

Description of assets	March 31, 2022	March 31, 2021
Computer software	3.96 years	2.88 years



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All amounts in INR million, unless stated otherwise

6. Investments

Particulars	March 31, 2022	March 31, 2021
Non-current investments		
Investments in equity instruments		
Investment in subsidiaries (at cost unless stated otherwise)		
Unquoted equity shares (fully paid)		
4,000,000 (March 31, 2021: 4,000,000) equity shares in SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Ltd.) of AUD 1/- each fully paid up	249.07	249.07
11,512,800 (March 31, 2021: 11,512,800) equity shares in Service Master Clean Limited of INR 10/- each fully paid up	135.20	131.23
11,252,250 (March 31, 2021: 11,252,250) equity shares in Terminix SIS India Private Limited of INR 10/- each fully paid up	114.26	114.26
14,800,000 (March 31, 2021: 14,800,000) equity shares in Tech SIS Limited of INR 10/- each fully paid up #	152.60	152.30
800,000 (March 31, 2021: 800,000) equity shares in SIS Australia Group Pty Ltd. of AUD 1/- each fully paid up	47.93	47.93
2,801,666 (March 31, 2021: 2,801,666) equity shares in Dusters Total Solutions Services Private Limited of INR. 10/- each fully paid up	1,965.58	1,965.58
Equity shares in SLV Security Services Private Limited of INR. 100/- each fully paid up \$	827.24	825.96
1,169,213 (March 31, 2021 : 1,169,213) equity shares in RARE Hospitality and Services Private Limited of INR. 10/- each fully paid up *	519.71	518.86
1,800,000 (March 31, 2021 : 918,000) equity shares in Uniq Security Solutions Services Private Limited (formerly known as Uniq Detective and Security Services Private Limited) of INR. 10/- each fully paid up *	1,032.53	520.48
10,000 (March 31, 2021: 10,000) equity shares in SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited) of INR 10/- each fully paid up	0.10	0.10
10,000 (March 31, 2021: 10,000) equity shares in SIS Business Support Services and Solutions Private Limited of INR 10/- each fully paid up	0.10	0.10
29,000,000 (March 31, 2021: 29,000,000) equity shares in SIS Alarm Monitoring and Response Services Private Limited of INR 10/- each fully paid up	294.56	293.30
10,000 (March 31, 2021: 10,000) equity shares in One SIS Solutions Private Limited of INR 10/- each fully paid up	0.10	0.10
Total investment in subsidiaries (A)	5,338.98	4,819.27
Investment in associates (at cost unless stated otherwise)		
Unquoted equity shares (fully paid)		
7,788,892 (March 31, 2021: 7,788,892) equity shares in SIS Cash Services Private Limited of INR 10/- each fully paid up	77.89	77.89
Total investment in associates (B)	77.89	77.89
Total investment in equity instruments (A+B)	5,416.87	4,897.16
Investments in debentures or bonds		
175 (March 31, 2021: 175) Non-convertible debentures in SIS Cash Services Private Limited of INR 1,000,000/- each fully paid up	175.00	175.00
120 (March 31, 2021: 120) Non-convertible debentures in SIS Alarm Monitoring and Response Services Private Limited of INR 1,000,000/- each fully paid up	120.00	120.00
300,000 (March 31, 2021: 300,000) Optionally convertible debentures in Terminix SIS India Private Limited of INR 100/- each fully paid up	29.45	29.07
49 (March 31, 2021: 49) Optionally convertible debentures in Service Master Clean Limited of INR 1,000,000/- each fully paid up	24.16	21.96
Total investments in debentures or bonds	348.61	346.03
Total non-current investments	5,765.48	5,243.19



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Current investments		
Total current investments	-	-
Total investments	5,765.48	5,243.19
Aggregate book value of quoted investments and market value thereof	-	-
Aggregate book value of unquoted investments	5,765.48	5,243.19
Aggregate amount of impairment in value of investments	-	-

§ During the year ended March 31, 2021, the Company has fulfilled its obligations of making the payment of all tranches through the escrow mechanism for acquisition of 100% of the share capital of SLV.

* Refer note 37 regarding the investments in respective subsidiary made during the year ended March 31, 2022 and March 31, 2021.

During the year ended March 31, 2021, the Company has converted loans given to respective subsidiary into equity investments

7. Other financial assets

Particulars	March 31, 2022	March 31, 2021
Other non-current financial assets		
Security deposits (unsecured, considered good)	263.27	282.13
Loans to related parties (unsecured, considered good)	234.59	234.59
Margin money in the form of fixed deposits *	94.18	10.40
Fixed deposit maturing after 12 months	4.75	-
Other non-current financial assets	0.34	0.34
Total other non-current financial assets	597.13	527.46
Other current financial assets		
Unbilled revenue ** (Refer note 23)	2,186.59	1,951.52
Security deposits (unsecured, considered good)	94.14	144.78
Interest accrued on deposits / investments	10.89	15.23
Other receivables	66.96	56.73
Total other current financial assets	2,358.58	2,168.26
Total financial assets	2,955.71	2,695.72

* Fixed deposits have been pledged as margin money against bank guarantees.

** All unbilled dues are undisputed and falling under the ageing of less than six months from the date of completion of delivery of goods/services.

No loans or other advances are due from directors or other officers of the Company either severally or jointly with any other person and from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note 39.

Refer note 40 for the Company's policy regarding impairment allowance on other financial assets and Company's credit risk management processes.

8. Income tax

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

Statement of profit and loss:

Profit or loss section:

Particulars	March 31, 2022	March 31, 2021
Current income tax:		
Current income tax charge	32.11	0.83
Adjustments in respect of current income tax expense / (reversal) of previous years	-	-
Deferred tax:		
Decrease / (increase) in deferred tax assets (net)	(215.60)	284.30
Income tax expense / (credit) reported in the statement of profit and loss	(183.49)	285.13

OCI section:

Tax related to items recognised in OCI during the year:

Particulars	March 31, 2022	March 31, 2021
Tax expense / (credit) on re-measurements of defined benefit plans	(20.29)	(15.42)
Income tax charged/(credited) to OCI	(20.29)	(15.42)



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Tax related to items recognised directly in equity during the year:

Particulars	March 31, 2022	March 31, 2021
Aggregate current and deferred tax arising in the reporting period and not recognized in profit or loss or other comprehensive income, but directly debited/credited to equity	3.70	-
Income tax credited / (charged) to equity	3.70	-

Reconciliation of tax expense and the accounting profit multiplied by the tax rate for March 31, 2022 and March 31, 2021:

Particulars	March 31, 2022	March 31, 2021
Accounting profit before tax from continuing operations	1,155.52	856.06
Accounting profit before income tax	1,155.52	856.06
Statutory income tax rate	25.17%	25.17%
Income tax expense at statutory rate	290.82	215.45
Additional temporary tax deductible in respect of certain benefits under the Income Tax Act, 1961	(463.01)	63.92
Non-deductible expenses for tax purposes		
Corporate social responsibility expenditure	3.33	9.02
Donation	0.45	0.15
Other non-deductible expenses	(0.10)	(3.02)
Income taxed at differential rates		
Dividend from foreign subsidiaries taxed at a different/lower rate	(14.98)	(0.39)
Tax expense reported in the statement of profit and loss	(183.49)	285.13

*The effective tax rate applicable to the Company for the financial year 2022-23 would be 25.17% (including surcharge and cess) based on the law as it exists on the date of these financial statements.

The balance in deferred tax assets/ (liabilities) comprises temporary differences attributable to:

Particulars	March 31, 2022	March 31, 2021
Property, plant and equipment / Intangible assets	118.14	112.70
Defined benefit obligations	301.39	202.09
Deductions in respect of certain benefits under the Income Tax Act, 1961	308.67	206.18
Accruals and others	238.49	234.33
Allowance for expected credit loss – trade receivables	77.45	52.95
Unused tax losses	1.52	1.52
Total deferred tax assets / (liabilities)	1,045.66	809.77

Reflected in the balance sheet as follows:

Particulars	March 31, 2022	March 31, 2021
Deferred tax assets	1,045.66	809.77
Deferred tax liabilities	-	-
Deferred tax assets / (liabilities), net	1,045.66	809.77

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Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019 *	March 31, 2018 *
	No.	No.	No.	No.	No.
Equity shares allotted as fully paid bonus shares by capitalization of general reserve	-	10,480	10,480	211,960	65,480
Equity shares allotted as fully paid up without payment being received in cash	-	-	-	-	-
Buyback of equity shares	1,818,181	-	-	-	-

* Number of shares has been restated to give effect of share sub-division

During the year ended March 31, 2022, Nil (March 31, 2021: 1,048) options issued to employees were exercised by them and equity shares were allotted. Further, in terms of the ESOP 2008, the equity shares allotted on the exercise of the options shall be adjusted for the bonus issue of 10 shares for every 1 equity share announced by the Company on July 27, 2016. Accordingly, a total number of Nil (March 31, 2021: 11,528) equity shares were allotted by the Company on exercise of Nil (March 31, 2021: 1,048) options by the employees, which included a total number of Nil (March 31, 2021: 10,480) equity shares allotted by the Company as bonus shares pursuant to the said terms of ESOP 2008.

Details of promoter shareholding in the Company Year ended March 31, 2022

S. No.	Name of the Promoter	Equity shares as on April 1, 2021 (in Nos.)	% holding in the class	Equity shares as on March 31, 2022 (in Nos.)	% holding in the class	% Change during the year
Promoters						
1	Ravindra Kishore Sinha	58,727,312	39.60%	57,648,582	39.21%	-0.39%
2	Rituraj Kishore Sinha	16,420,380	11.07%	15,791,311	10.74%	-0.33%
Total		75,147,692		73,439,893		

Year ended March 31, 2021

S. No.	Name of the Promoter	Equity shares as on April 1, 2020 (in Nos.)	% holding in the class	Equity shares as on March 31, 2021 (in Nos.)	% holding in the class	% Change during the year
Promoters						
1	Ravindra Kishore Sinha	59,267,312	40.42%	58,727,312	39.60%	-0.82%
2	Rituraj Kishore Sinha	16,695,380	11.39%	16,420,380	11.07%	-0.31%
Total		75,962,692		75,147,692		

Shares reserved for issue under options

Employees share options

Refer note 28 for details regarding employee share options issued by the Company.

14. Other equity

Particulars	March 31, 2022	March 31, 2021
Reserves and surplus		
Securities premium	3,123.34	4,078.79
General reserve	563.94	188.94
Retained earnings	3,703.48	2,655.65
Total reserves and surplus (A)	7,390.76	6,923.38
Other reserves		
Share options outstanding account	225.41	77.23
Debenture redemption reserve	-	375.00
Capital redemption reserve	9.09	-
Total other reserves (B)	234.50	452.23
Share application money pending allotment (C)	0.02	0.29
Total other equity (A+B+C)	7,625.28	7,375.90

