A Market Leader in Security, Cash Logistics & Facility Management

Group Enterprises

Date: June 6, 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: Submission of Annual Report 2022-23 (including Notice of 39th Annual General Meeting) and Business Responsibility and Sustainability Report 2022-23

This is to inform you that the thirty-ninth Annual General Meeting ("AGM") of the Company is scheduled to be held on Friday, June 30, 2023, at 12:00 Noon IST at Hotel Maurya, Fraser Road, Patna- 800001.

In accordance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the Annual Report of the Company, which includes the Business Responsibility and Sustainability Report for the financial year 2022-23, along with the Notice of AGM.

The Annual Report for the financial year 2022-23, including the Notice of AGM has been sent to the shareholders by e-mail whose email IDs are registered with the Company/Depositories and for all other members, it has been sent to their registered addresses through the permitted mode. The report is also available on the Company's website at https://sisindia.com/investors/annual-report.

This is for your information and records.

Thanking you.

Yours Faithfully,
For SIS Limited

PUSHPA LATHA KATKURI

Digitally signed by PUSHPA LATHA KATKURI
Date: 2023.06.07 00:56:28 +05'30'

Pushpalatha K
Company Secretary

SIS Limited

ANNUAL REPORT **2022-23**

Group Enterprises

A Market Leader in Security, Cash Logistics & Facility Management

LEADERSHIP POSITION. BURGEONING MARKET.

What's Inside

Scan the QR code for Annual Conference 2023

Key Financial Highlights

₹ 11,346 Crore
Revenue
↑ 12.8%

₹ 492 Crore
EBITDA
↓ (1.4%)

₹ 347 Crore
PAT
↑ 6.3%

15.7%
Return on equity (ROE)

Key Facts

38 Years
Industry experience

2,83,322
Total employees

70,917
Customer sites

21,471
Customers served across India

Check our website www.sisindia.com to get to know us better

Leadership Position. Burgeoning Market.

Security Industry

Increasing security concerns across residential, commercial, industrial, and governmental sectors due to rising threats of crimes, terrorism, and cyber attacks.

Facility Management Industry

Issues of poor hygiene, inadequate repairs, neglected landscaping, and ineffective energy management leading to uncomfortable spaces and environment.

Cash Logistics Industry

Growing concerns in handling large volumes of cash and precious raw materials due to the lack of reliable and secure logistic modes.

Effective control and management of these challenges are imperative.

As a result, the market for Security, Facility Management and Cash Logistics is experiencing a burgeoning growth, emerging as a prominent force in effectively mitigating these issues.

We at SIS Group, are the leading Security, Facility Management and Cash Logistics company.

As a responsible business services provider, we are committed to helping individuals, organizations and communities take proactive steps towards ensuring safety and security. With the growing market demand for Security, Facility Management and Cash Logistics industry, we are well-positioned to capitalize on the emerging opportunities and cater to the evolving needs of our customers. Our unwavering commitment to quality, reliability, and customer satisfaction has earned us a reputation as a trusted partner for businesses across industries.

Insights from the Chairman

Leading Vision 2025, from the Front

“We closed FY23 on a positive note, despite a challenging global economic environment amid high inflation, ongoing effects of Russia’s invasion of Ukraine, slower global trade growth, and financial sector turmoil in key developed economies among other economic headwinds.

Dear Friends,

This year SIS Group further reinforced its credentials as one of Asia Pacific (APAC) region’s leading business services groups. We closed FY23 on a positive note, despite a challenging global economic environment amid high inflation, ongoing effects of Russia’s invasion of Ukraine, slower global trade growth, and financial sector turmoil in key developed economies among other economic headwinds.

All our markets—India, Australia, Singapore, and New Zealand—witnessed economic expansion, but particularly India’s resilient economic growth has played a key role in our business growth this year. In the last decade, from being the world’s 11th largest economy, India has leaped ahead to become the 5th largest economy, which is on the back of a GDP growth rate that eclipses most of the world’s large economies. At the same time, what makes it more outstanding is the fact that this fast-paced inclusive progress touches the lives of millions of people across the social spectrum in the country.

FY23 has been a remarkable year for our business for many reasons. On an overall basis, SIS Group’s revenue grew by 12.8%, from ₹ 10,059 Crore in FY22 to ₹ 11,346 Crore in FY23 (~USD 1.4 Billion).

We continue to be #1 in Security Services in both India and Australia and continue to consolidate our leadership position in both geographies. ‘VProtect’, which offers an AI-enabled e-surveillance solution powered with a physical response, had an 84% increase in the number of connections this year and is on the way to becoming India’s largest e-surveillance company.

We are now also #1 in the Facility Management (FM) segment in India. We have achieved this position in a mere 15 years from the commencement of FM business, which is an outstanding achievement by everyone at SIS – from business leaders to frontline staff.

₹ 11,346 Crore
Revenue
12.8%

2,83,322
Employees

Our Cash Logistics business, which is #2 in India, continues to position itself as a Bank Outsourcing and Support Solutions (BOSS) business and has reported the highest revenue and margin growth among our business segments in FY23.

It gives me immense pride to share that SIS which started as a small entrepreneurial venture just four decades ago has progressively strengthened its foundation and spread itself like a huge banyan tree to provide livelihood to hundreds of thousands of families. I feel very proud of our 2,83,322 employees, which includes our security guards and officers, janitors and fumigation technicians, and cash logistics crews, for their commitment, dedication, and passion towards the essential services we offer customers across our markets. It is encouraging to note that many of the frontline employees in our Group have progressed to branch and regional team member roles in SBUs, which is a huge testament to our open culture and our training and career development initiatives.

“We are now also #1 in the Facility Management (FM) segment in India. We have achieved this position in a mere 15 years from the commencement of FM business, which is an outstanding achievement by everyone at SIS – from business leaders to frontline staff.

This year we were ranked at #4 amongst the “Best companies to work for in India” and recognised as one of the “Best Workplaces in Building a Culture of Innovation”, by Great Place To Work (GPTW). This is a tremendous validation of our organisation's culture, policies, and employee motivation levels, given our large employee base, with most of them being a frontline blue-collar workforce.

Two years ago, we rolled out our Vision 2025 plan, with the goal of transforming our market leadership position into a meaningful market share and transitioning from a services company to a solutions company. I am happy that we are making great progress towards our Vision goals and, during the course, have become the #1 in Facility Management in India. At the same time, we have been continuously investing in best-in-class systems, for running our operations and delivering tech-based customer services and solutions, more efficiently and productively.

On behalf of the Board and the entire leadership team, I thank all our stakeholders for their belief in SIS. Your continued support and confidence are an unending source of comfort for us as we move forward in our journey. I am positive that the SIS family will continue its rise to even greater heights.

Warm Regards,

Ravindra Kishore Sinha
Chairman

Managing Director's Review

A Message of Resilience

> Security, Facility Management and Cash Logistics are recession-resistant sectors. During these years – from FY17 to FY23 - our revenues have grown from ₹ 4,387.2 Crore to ₹ 11,345.8 Crore at a CAGR of 17.2%. Similarly, the EBITDA has grown from ₹ 220.4 Crore to ₹ 491.6 Crore at a CAGR growth of 14.3%. PAT has grown from ₹ 109.7 Crore to ₹ 346.5 Crore at 21.1% CAGR. We grew even during the difficult COVID period.

It's been over 5 years since SIS was listed, could you take us through the journey since then?

Would like to discuss what we had stated at the time of the IPO, and how we have performed since then.

- Security, Facility Management and Cash Logistics are recession resistant sectors. During these years – from FY17 to FY23 - our revenues have grown from ₹ 4,387.2 Crore to ₹ 11,345.8 Crore at a CAGR of 17.2%. Similarly, the EBITDA has grown from ₹ 220.4 Crore to ₹ 491.6 Crore at a CAGR growth of 14.3%. PAT has grown from ₹ 109.7 Crore to ₹ 346.5 Crore at 21.1% CAGR. We grew even during the difficult COVID period.
- Security Solutions – International is a hedge for SIS. During FY21, the segment achieved revenue growth of 22% due to high margin one-time COVID contracts, compared to the India Security segment which was impacted by COVID. In FY23 as well, this segment achieved 0.7% growth in revenues, despite the discontinuation of COVID-related contracts of over AUD80 Million. The segment has been a stable cash generator and complements the India business.
- Facility management and cash logistics segments are high growth segments and have the potential to become larger given their high growth rates over the years and at 30%+ for FY23. We believe these segments can add significantly to the Group's overall value going forward.
- Essential business services are materially different from staffing: The onus of the service outcome rests with the business service provider as opposed to a staffing company which only provides human resources to clients in exchange for a fixed fee; here the outcome of the service is largely the responsibility of the client hiring the resource.
- Pre-IPO, we set out to deliver 20% revenue growth per annum, 20% ROE, and 50% OCF/EBITDA. From FY17 to FY23, we achieved a revenue CAGR of 17.2%, approx 20% ROE, and an average OCF/ EBITDA of 58%. Also, we have maintained both return on equity (ROE) and return on capital employed (ROCE) at an average of 19.3%.

> Pre-IPO, we set out to deliver 20% revenue growth per annum, 20% ROE, and 50% OCF/EBITDA. From FY17 to FY23, we achieved a revenue CAGR of 17.2%, approx 20% ROE, and an average OCF/ EBITDA of 58%.

We are #1 in the Security Solutions business in India and in Australia, now #1 in Facility Management Solutions in India and #2 in Cash Logistics Solutions in India.

What were the Key highlights of the year?

In FY23, with the economy bouncing back, all our business segments have reported healthy growth in revenue. We crossed ₹ 11,000 Crore annual revenue mark for the first time in our history.

With an annualised run rate of more than ₹ 2,000 Crore in Facility Management (FM), SIS is also now India's #1 FM company. We entered the Facility Management space in 2009 and reaching this milestone within 15 years is very motivating.

We would also like to share an update on our acquisitions and corporate structure changes during the year. We completed the acquisition of 85% shareholding in SDS, a Perth-based company providing Critical Risk Management, Rescue Medical Services and Training services across Australia. This acquisition is a key milestone in realizing Vision 2025 and can provide great value addition to our clients both through cost savings and synergy opportunities with the combined capabilities. Additionally, TerminixSIS -our pest management services business- became a 100% subsidiary of the Group.

> Facility Management and Cash Logistics segments are high growth segments and have the potential to become larger given their high growth rates over the years and at 30%+ for FY23.

Managing Director's Review

To optimise returns to our shareholders and enhance overall shareholders' value, we completed a buyback of equity shares worth ₹ 80 Crore at a price of ₹ 550 per share.

This year, we further leveraged SIS Ventures, which is our corporate VC fund for investment towards next-generation ideas in SIS's addressable and adjacent markets. We were successful in integrating offerings of these new-age tech start-ups, both on the customer solutions side and employee benefits side. Our offerings across business segments, integrated with Video analytics capability would enhance customers' experience and outcomes.

Could you walk us through the financial performance through the year.

We are proud to share that SIS Group closed FY23 with double-digit revenue growth of 12.8%, amounting to ₹ 11,346 Crore Growth is back which is reflected in our revenue growth across the business segments.

Our Security Solutions - India segment showed a remarkable increase of 19.9% Y-o-Y, reaching ₹ 4,626.1 Crore in FY23. 'VProtect'- which offers an AI-enabled e-surveillance solution powered with a physical response services over 14,000 connections, a growth of 85%+ from over 7,700 connections as of the end of FY22.

Our Security Solutions - International segment achieved 0.7% growth in revenues, amounting to ₹ 4,875.9 Crore in FY23, despite the discontinuation of high-margin COVID-related contracts of more than AUD80 Million during FY23 thereby delivering an effective growth of

> SIS Group closed FY23 with double-digit revenue growth of 12.8%, amounting to ₹ 11,346 Crore. Growth is back which is reflected in our revenue growth across the business segments.

~10% in the year. However, continued labour shortages across international geographies had an impact on the costs and EBITDA.

The Facility Management segment has done tremendously well with revenue surging 36.2% Y-o-Y to reach ₹ 1,899.9 Crore in FY23 with an EBITDA of ₹ 81.8 Crore, reflecting a growth of 28.7% Y-o-Y. The FM segment has consistently grown at 30%+ Y-o-Y for 4 quarters of FY23 backed by strong demand. Our FM business is now the #1 pure-play FM service provider in the country. Large customers are increasingly looking to consolidate their service providers to achieve cost savings and be more compliant. This is favourable for organized players like us and our 'OneSIS' which is a customised integrated solutions offering.

During the year, OneSIS signed up clients in the BFSI, Co-Working and Real Estate domains. One SIS is going to be an important part of our Vision 2025 goal to move from services to solutions.

Our Cash Logistics joint venture with Prosegur achieved significant revenue growth of 38.3% Y-o-Y to reach ₹ 543 Crore in FY23. EBITDA witnessed an even higher growth of 60.9% Y-o-Y at ₹ 85.7 Crore The business has transformed itself over the years to position itself as a Bank Outsourcing and Support Solutions (BOSS) provider and not merely a provider of cash logistics solutions. The business has been offering more and new innovative technology solutions, increasing value for our customers, and hence enabling additional growth opportunities going forward.

How is your capital structure and capital allocation strategy evolving?

As of the end of FY23, our Net Debt/ EBITDA was 1.75 at a consolidated level. Due to hardening interest rates and the strong cash flow generation in FY23, post Q4 FY23, we have paid down AUD15 Million (₹ 82.6 Crore) to the debt syndicate led by National Australia Bank (NAB) in Australia and reduced the outstanding amount to AUD88.5 Million (₹ 487.1 Crore). This has helped us improve the Net Debt to EBITDA levels.

Our international security peers operate at higher leverage levels. We believe that prudent use of debt is essential to ensure a high return on equity.

Since the IPO, we have returned close to ₹ 260 Crore to shareholders in the form of dividends and buybacks. This includes a record ₹ 100 Crore returned to shareholders during the COVID year of FY22 in the form of a buyback. We have been progressively paying out dividends to shareholders and completed two rounds of buybacks. For FY23 we have completed a buyback of ₹ 80 Crore

How are you leveraging technology in your services? How do you see it evolving further?

Our efforts to continuously improve our technology and solutions have been gaining momentum. Post-COVID, the way we live and work is witnessing a fundamental shift. We are actively pursuing technology both for client-facing applications and as well as for internal processes, systems and controls.

On the Client side, we have been working to take newer solutions to ensure that our clients are able to provide a safe and hygienic working environment to their customers, employees and stakeholders. We offer India's First Alarm Monitoring and Response Solution (AMRS) through 'VProtect'; Under OneSIS (Our integrated solutions offering) we offer end-to-end business service solutions comprising Security, Facility Management, and Pest Control to our clients; we also introduced a 'Video Analytics Solution' which converts cameras into smart cameras providing real-time video and analytics and have introduced 'SMARTGUARD' mobile app to automate front desk operations.

Further, as a part of the VISION 2025 plan, under SIS Ventures, we continue to scout for promising start-ups working on solving problems in areas adjacent to our core offerings or for providing benefits to our employees. We believe this will also enable us

> Further, as a part of the VISION 2025 plan, under SIS Ventures, we continue to scout for promising start-ups working on solving problems in areas adjacent to our core offerings or for providing benefits to our employees.

to provide customised security and facility management solutions to our customers to meet their unique requirements.

How is international business evolving?

Our Security Solutions - International segment has acted as a hedge for the overall Security business. During FY21, the segment achieved revenue growth of 22%, due to high-margin one-time COVID contracts, ahead of the Security Solutions - India segment which was relatively impacted by COVID. The Security Solutions - International segment has been a stable cash generator and complements the India business.

Additionally, our international presence enables us to access cost effective alternative sources of funding to fuel our inorganic growth engine.

This year also, the Security Solutions - International segment achieved 0.7% growth in revenues, despite the discontinuation of COVID-related contracts of over AUD80 Million. The segment contributes 43% as of FY23 down from 52% as of FY18 and the contribution from the segment is expected to reduce further to ~25% over the next few years.

Why has SIS been relatively quiet on the M&A front recently? What can we expect going forward?

Our inorganic strategy is based on three key tenets. First, to gain market share in key markets (e.g., our acquisition of UNIQ in the Bangalore region and SLV in the Northern Capital Region). Second, to penetrate into additional customer segments (e.g., our acquisition of RARE in the healthcare segment). Third, to add a service line to strengthen our overall offerings

Across all our inorganic transactions, we typically target an XIRR of 20%+ and structure the deals in a staggered manner to mitigate risk and achieve a higher return on investment.

During FY21 and FY22, COVID impacted most businesses across segments, alignment on valuations was a challenge, and in many cases, earnings were not a true representation of the business potential. As a result, we focused on organic growth during this period. We now have a robust pipeline of potential targets and our focus for M&A and capital allocation remains in the three segments we operate in viz. Security, Facility Management and Cash Logistics, in the domestic market.

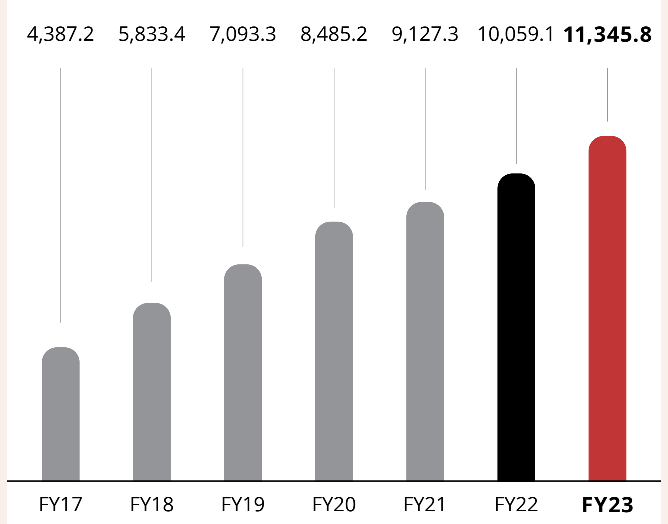
Best Regards,

Rituraj Sinha
Group Managing Director

Key Performance Indicators

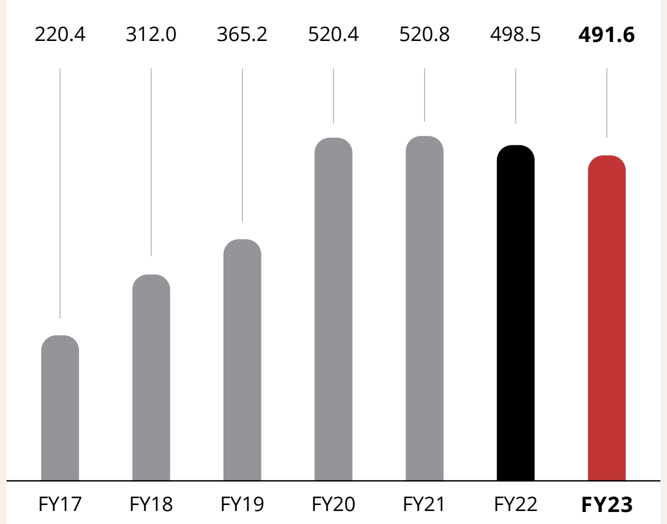
Metrics that Shape our Leadership Position

Revenue
(₹ in Crore)



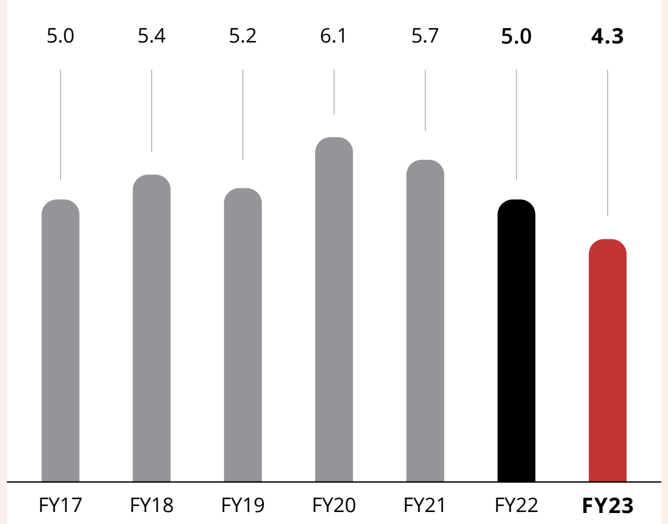
FY17-23 CAGR **17.2%**

EBITDA
(₹ in Crore)

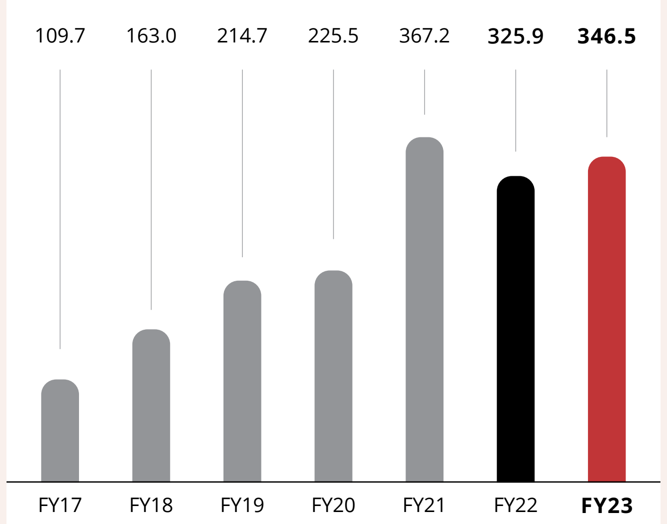


FY17-23 CAGR **14.3%**

EBITDA Margin
(in %)

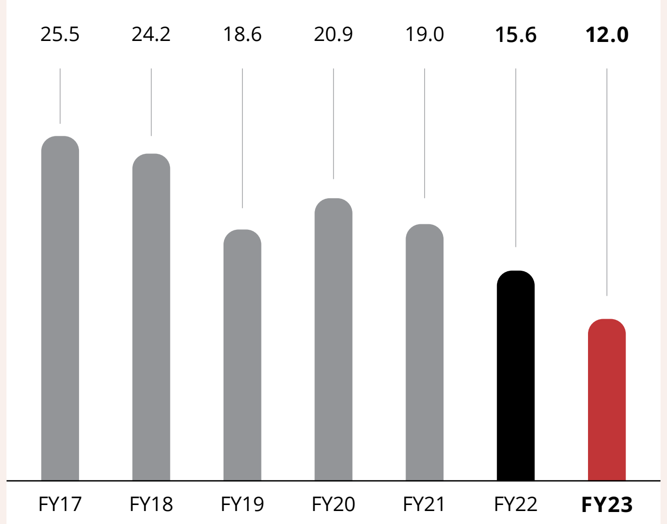


PAT
(₹ in Crore)

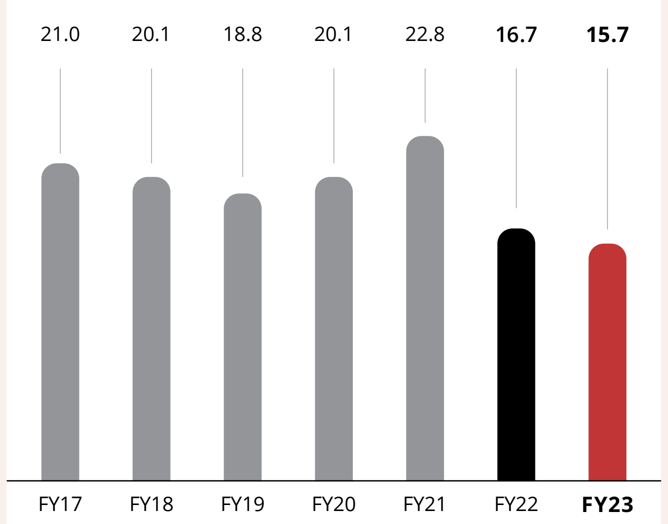


FY17-23 CAGR **21.1%**

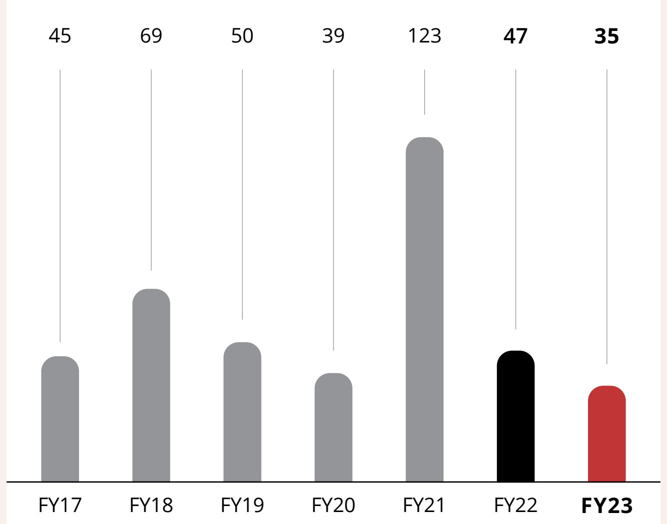
Return on Capital Employed (ROCE)
(in %)



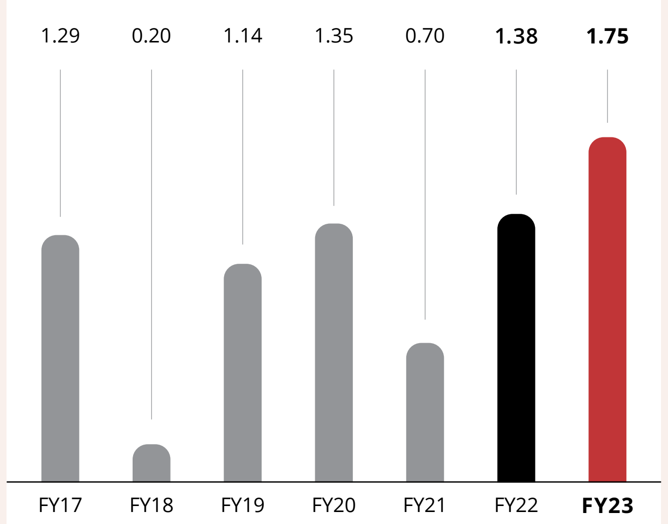
Return on Net Worth (RoNW)
(in %)



Operating Cash/ EBITDA
(in %)



Net Debt/ EBITDA
(X)



Company Overview

Ensuring a Safe and Secure Tomorrow

Our Corporate Philosophy

" Take care of your people, they will take care of your business. "

Mr. R. K. Sinha
Founder & Group Chairman

Our Core Values

TRUST
Being trustworthy for us means being transparent in our services

PEOPLE FOCUS
Keeping our people's interest above all and fostering a collaborative team culture

SERVICE SPIRIT
Committed to customer satisfaction by staying available 24*7 and help them even beyond contract terms

What We Do

We provide Security, Facility Management and Cash Logistics services across the Asia Pacific region.

We are leveraging the power of technology in our services which has steadily brought greater efficiency to our operations, offering a unique customer experience.

Through our innovative approach and commitment to excellence, we have established a leadership position across our segments, setting the standard for superior.

Recognised for Organizational Excellence

Best Facility Management Company

Best Workplaces for Innovation

Best Workplaces for Women

Nation Building Employer

Among India's Best Companies Ranked 4th To Work for 2022

Great Place To Work. Certified APRIL 2022 - APRIL 2023 INDIA

Leadership Position Across Business Segments in India

#1	#1	#2
In Security Solutions	In Facility Management	In Cash Logistics

Leadership Position in APAC region in Security Solutions

#1	Among Top 3	Among Top 5
In Australia	In New Zealand	In Singapore

Our business divisions and services

Security Solutions

As a premier Security solutions provider in the Asia-Pacific (APAC) region, encompassing India, Australia, New Zealand, and Singapore, we offer a wide range of security solutions to cater to diverse needs. Our comprehensive security solutions spectrum includes cutting-edge Alarm Monitoring and Response Solutions, as well as innovative 'Man-Tech' solutions that integrate electronic security with a skilled workforce, to offer the most efficient security solutions.

83.3%
Revenue contribution

India

Largest security solutions provider in India, offering the widest reach and most comprehensive range of solutions

Alarm monitoring and response solutions

Complete suite of electronic security solutions

Read more PG 22-31

Australia

Largest security solutions provider across all market segments in Australia

Largest mobile patrol company in Australia

New Zealand

Leading security solutions provider in New Zealand

Singapore

One of Singapore's leading security companies

Read more PG 32-39

Facility Management Solutions

We offer a diverse range of facility management services, including housekeeping solutions, janitorial support, integrated facility management, HVAC maintenance, pest control, and more.

16.7%
Revenue contribution

Read more PG 40-47

Cash Logistics Solutions

Our range of cash logistics solutions includes secured cash in transit, encompassing safe transportation of other valuable items, doorstep banking and cash currency processing, ATM replenishment, first-line maintenance, and safekeeping, as well as vault-related solutions for bullion and cash.

Read more PG 48-51

Company Overview

Our Customers

Our clients include prestigious brands in various industries, from banks and retailers to hospitals, schools, and government entities.

Steel/ Metals, Power, Mining, Oil & Gas, Energy Resources, PSUs

IT/BPO, BFSI, Telecom, Education

Auto, Manufacturing, Logistics, Transportation

Construction, Cement, Infrastructure, Fertilizer

Healthcare and Pharma

FMCG, Food and Beverage, Paper

Hospitality and Retail/ Commerce/ Industrial

Aviation and Railways

Entertainment

Education

Government and Defence

Others

Our Milestones

Journey of Excellence

Until 2005

- Penetration in Indian market
- Developed advanced tech platforms to drive business growth
- Excelled in delivering industry-specific residential training programs

1986
Implemented the Graduate Trainee Officer (GTO) program with the objective of developing a group of security officers and managers

1989
Created a payroll software program based on the DOS platform

1991
Crossed 1,000 employee count

1997
Launched operations in South India.

1998
Achieved the milestone of being the first ISO-certified security company in India

2002
Crossed the ₹ 25 Crore revenue mark

2004
Created ERSys, a comprehensive and integrated ERP platform

2005
Exceeded 10,000 employees

2006 - 2010

- Launched 5-year Vision plan implementation
- Completed first overseas acquisition
- Started facility management and cash logistics operations
- Secured investment from DE Shaw, global hedge fund
- Added electronic security services to our portfolio

2006
Ventured into Cash Logistics segment

2007
Set up operations in West India

DE Shaw, one of the largest hedge funds in the world, invests in SIS

2008
Acquired Australia's largest security company Chubb Security

2009
Crossed ₹ 1,000 Crore revenue mark

Entered the Facility Management space and partnered with ServiceMaster Corporation, USA

2010
Launched electronic security arm of SIS group under TechSIS brand

2011 - 2015

- Cash JV Commenced
- Commenced Pest Control business
- CX partners investment

2011
Initiated joint ventures with Prosegur, Spain, with 'SIS Cash' branded as 'SIS Prosegur'

2012
Entered a joint venture with TERMINIX, USA and entered the Pest Control Segment, under the TERMINIXSIS brand Crossed 50,000 employee count

2013
Marked the largest PE investment in security sector by CX Partners

2014
Celebrated our 40th anniversary with the revenue crossing ₹ 2,500 Crore

Acquired ISS cash business and rebranded it as SISCO

2015
Crossed 100,000 employee count

Launched first industry-automated recruitment quality control kiosk

2016 - 2020

- Established leadership in Security and FM across Asia Pacific through growth and acquisitions
- Achieved successful IPO

2016
Crossed ₹ 4,000 Crore revenue mark

Acquired DTSS, becoming India's 4th largest Facility Management provider

2017
SIS Group becomes India's first listed company in security, cash logistics, and facility management

Acquired Australia's largest mobile patrol service company, SXP

Launched VProtect, India's pioneering wireless alarm, monitoring, and response service provider

2018
Consolidated leadership position in India Security and FM – acquired SLV, UNIQ & RARE

2019
Surpassed 200,000 employees and achieved revenues of over US$ 1 Billion

Strengthened APAC leadership by acquiring Henderson and P4G

2021 - 2023

- Prioritized employee well-being
- Recognized by Great Place to Work
- Crossed ₹ 10,000 Crore annual Revenue mark
- Became India's Largest Facility Management Provider

2021
Prioritized vaccination for over 2,50,000 employee base

2022
Achieved a remarkable milestone with annual revenue surpassing ₹ 10,000 Crore

2023
Became India's largest Facility Management provider

"Ranked among the Best Workplaces in Building a Culture of Innovation", by GPTW

Acquired 85% stake in Australian firm SDS

Terminix SIS became a wholly-owned subsidiary

Geographical Presence

Wide Influence in the Asia Pacific Region

With a rich legacy of almost 40 years in the industry, our company has firmly established itself as a leader in the Asia-Pacific region. We take pride in delivering unparalleled service quality and setting the benchmark for excellence. From Australia to New Zealand and Singapore, our expertise and commitment to exceptional performance have earned us a trusted reputation among clients and a leadership position in the market.

AUSTRALIA

#1
Security Solutions Provider

NEW ZEALAND

Top 3
Security Solutions Provider

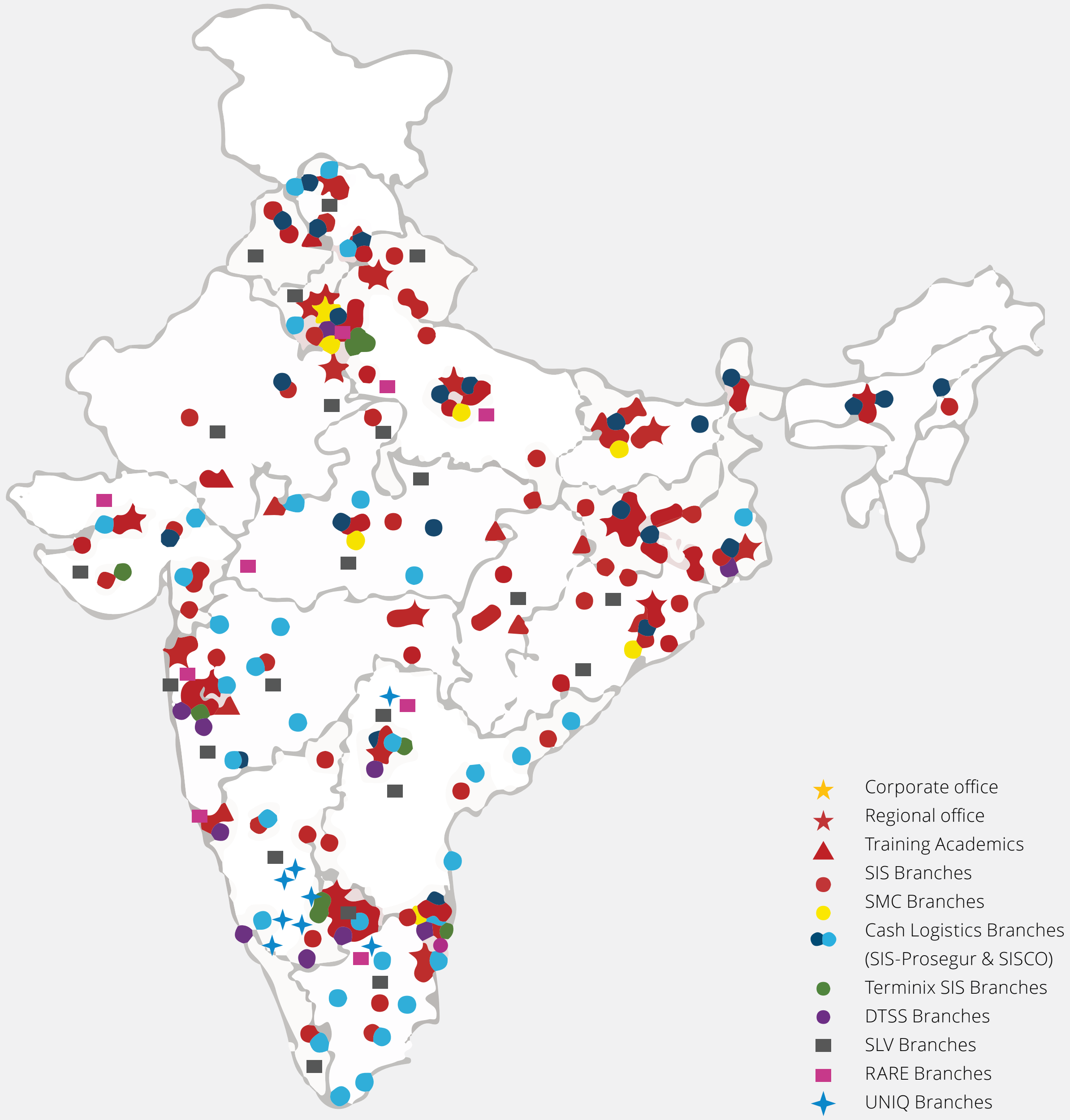
SINGAPORE

Top 5
Security Solutions Provider

Leading the Security Solutions, Facility Management and Cash Logistics industry, we are the fastest-growing brand in India with extensive nationwide coverage. As the top-ranked player, we solidify our position as a trusted and dominant force, delivering unmatched protection and peace of mind to our valued customers.

Leading in India Across Segments

#1	#1	#2
Security Solutions Provider	Facility Management Solutions Provider	Cash Logistics Solutions Provider



334	50	29
Branch offices covering 36 States/UTs	Regional offices	Training academies

The Big Reveal

A Culture Driven by the Best-in-Class Technology

At SIS, we are successfully implementing a major business process transformation project. This is guided by our Technology Strategy, which aims to enhance our team's capabilities to handle a threefold increase in business, which is expected in future years.

We have undertaken significant technology enhancement projects to accelerate the adoption of technology, both for internal productivity and customer solutions. Leveraging modern technology is a key factor that sets us apart from our competitors. We consistently invest in best-in-class systems to improve our customer-centric service delivery, automate business processes, and enhance operational efficiency, to align with our Vision 2025.

SIS Group Technology Strategy Plan

Build, rollout and leverage central business transaction management system	Be 1st in industry for automated customer compliance with 100% accuracy	Enhance and rollout daily operations management for all entities	Leveraging technology in automation and workflows	Infrastructure management and cyber security
• Business transactions ERP – SISCORE • Finance transactions ERP – Oracle Fusion • Business Analytics	• Automated compliance document generation • Compliance Management System - CMS	• Sales operations • Site operations • Site attendance • Training – Billable employee	• Robotic Process Automation (RPA) • Self-service and workflows	• IT organization structure • IT service management • IT infrastructure and security management

As a market leader, we prioritize raising the digital quotient across our value chain, from acquiring new customers to efficiently managing operations, and providing quality assurance and compliance assurance to our customers. We are fostering a digital culture throughout the organization by innovating, incubating, and scaling initiatives. Our technology strategy aligns with business priorities, enabling us to excel in meeting evolving customer needs through customer-centric solutions and fostering effective communication within the organization.

Our Way Forward

We recognize that technology is a key factor that sets us apart from our competitors. In today's technology-driven operating environment, we remain committed to leveraging Information Technology (IT) to streamline our processes. Our best-in-class systems empower us to drive business growth and continuously improve our operational efficiency. By harnessing the power of technology, we aim to increase our operating leverage over time, ensuring sustained success.

The Big Reveal

Leveraging the best-in-class technology to improve productivity within the organization and for our valuable customers

MySIS: Facial recognition-based attendance mobile app

It is our latest innovation to enhance employee experience. MySIS is an app that enables our frontline workers to log attendance hassle-free, access various benefits, and streamline payroll processing. With a secure and user-friendly interface, it revolutionizes attendance recording and payroll disbursements, ensuring efficiency and data security.

KPI

First in the industry

1.3 Lakh+ average daily attendance reports generated.

2.28 Lakh+ active employees have downloaded the app

iOPS: Service quality assurance and operations productivity platform

Our iOPS 1.0 was successful in efficiently managing operations and supporting customers. We upgraded to iOPS 2.0 which added quality assurance capabilities through the Area Officer (AO) App, National Quality Cell (NQC) Dashboards, and real-time information for the operations team. Mobile apps empower the team to ensure quality at customer sites. We are piloting Quality Assurance & Compliance Assurance (QACA) portal for our customers to monitor service delivery and operations, ensuring compliance and quality parameters are met. Our integrated tech platforms provide visibility and compliance assurance to customers. Through technology-driven operations management and customer feedback, we deliver quality assurance and compliance

KPI

17,500+ sites covered on an average in a month

67,000+ quality checks on an average done on these site

SalesMaxx: Tablet-based sales CRM tool

It provides our sales teams with easy access to customer data, order histories, and product catalogs. It simplifies the sales process by allowing sales reps to manage leads and track their progress from anywhere, increasing productivity and closing more deals.

KPI

800+/month quotations generated

M-Trainer: Digital Training Platform

A digital training platform that offers personalized learning experiences for all our employees. With interactive modules, quizzes, and assessments, it helps us deliver engaging and effective training to our employees. It also enables learners to acquire new skills and knowledge at their own pace, anytime, and anywhere.

KPI

7,400+ trainings/month (avg.) imparted

SiSCORE

We are in the process of implementing the new core business management system, SiSCORE. It will drive and manage customer and site information, contracts, and operations, while also incorporating invoicing and payroll functionalities. The introduction of contract management enhances our team's capabilities to handle a threefold increase in volume, providing self-driven digital control and business analytics for key decision-making. With accurate customer site and service data captured through contract management, we can significantly improve service delivery and ensure timely and accurate customer invoicing. SiSCORE is closely integrated with our financial ERP system and other operations management applications like MySIS, iOPS, and M-Trainer, as well as SalesMaxx. This integration ensures quality assurance and compliance in accordance with customer contracts.

Oracle Fusion

We have successfully implemented Oracle Fusion as our Group-wide Finance ERP system. This migration has greatly automated tasks such as collections entry through Robotic Process Automation and integrated workflows. The ERP also includes a supplier portal for improved efficiency in supply chain management. With the software, we can easily add new customers, invoice, manage collections, and reconcile receipts, leading to end-to-end operational efficiency. Additionally, our Finance & Accounts ERP is supported by a business intelligence platform, providing real-time analytics for management reporting and decision-making. This allows for automatic generation of reports like Seven Finger report, monthly MIS, Sales, Collections, Compliance, HR, and other MIS, ensuring ease of doing business while maintaining compliance and employee welfare.

Others

We have platforms like MS Teams, Intranet portal with workflows, CISCO Webex, and Zoom that facilitate real-time messaging and video calling for better collaboration and streamlined communication within the organization. These platforms were instrumental in conducting initial kick-off meetings and discussions with new and potential customers in both Indian and international markets. They also allowed us to virtually engage with our existing customers, providing insight into local operations and frontline staff efforts despite pandemic restrictions.

Automated Recruitment Kiosk (ARK)

An innovative solution designed to streamline the recruitment process

KPI

5,900+ security professionals recruited monthly on average

Quality and Compliance Overview Dashboard

A customer-accessible platform that provides a comprehensive overview of training, compliance documents, and operational reports. With easy-to-use features, it simplified the monitoring and management of quality and compliance, helping us stay on top of our operations.

Business Review

Security Solutions India

1

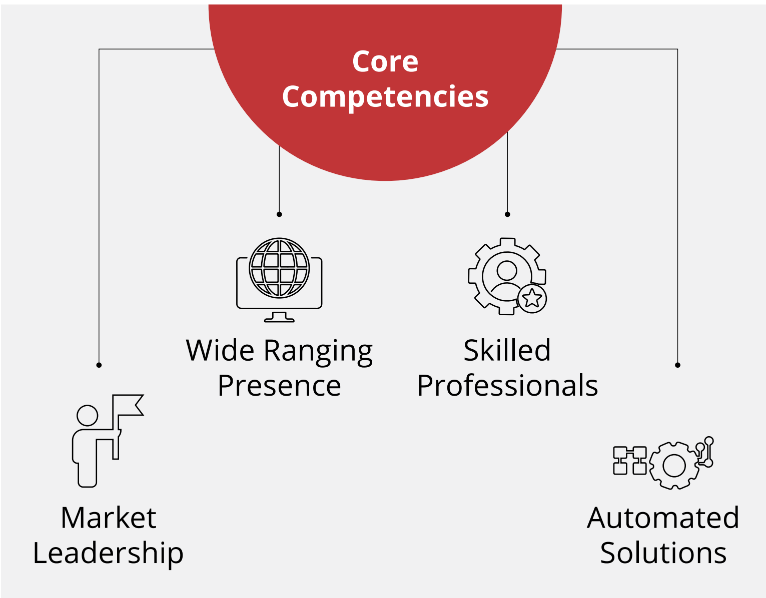
#1 Security Solution Provider in the Industry

Our Security Solutions segment encompasses a broad spectrum of Solutions, including traditional and specialized guarding, reliable Alarm Monitoring and Response Solutions, integrated and turnkey electronic security and surveillance solutions. Our overarching goal is to offer our clients a comprehensive range of Security Solutions that are tailored to meet their unique needs and requirements.

Business Review

Industry Overview

India is expected to be one of the fastest growing markets, globally. The Indian security services market is projected to reach ₹ 1,57,400 Crore by 2024, globally, driven by increasing crime rates, political instability, and the need for asset and individual protection. Technological advancements like AI, biometrics, and drones are further fuelling industry growth. Rising labour costs, skilled resource shortages, and the post-COVID era are blurring the lines between physical and digital worlds, creating demand for advanced technology-based security solutions. In India, the technology-based security solutions market is expected to reach ₹ 32,200 Crore by 2024, with higher growth rates compared to traditional guarding services.



Key highlights

1,81,381	33,128	9,355	94%	182
Employees	Customer sites	Customers	Customer retention	Branches

Our Offerings

Manned Security Solutions

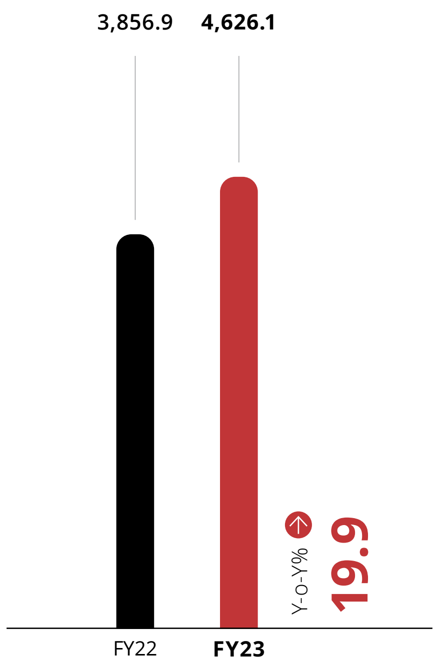
- Static Guarding
- Armed Guards and Gunman
- Escorting and Patrol Services
- Fire Safety Services
- Bouncers
- Front Office Management
- Event Management
- Quick Reaction Team
- Dog Handler

Technology and Electronic Solutions

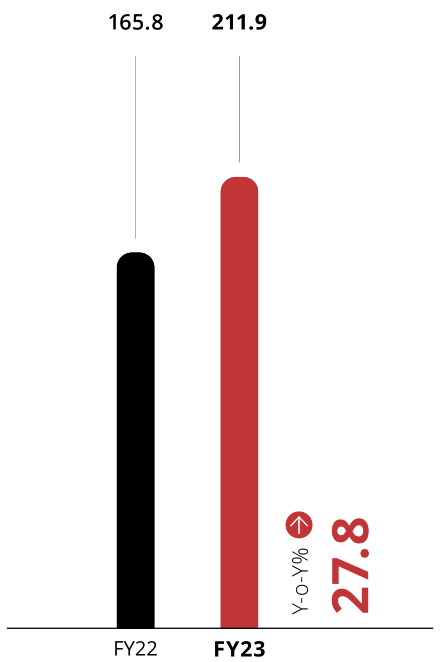
- Access control/ Entry automation
- AI-enabled video surveillance
- Fire Safety, detection and suppression
- Saas-based software solutions
- Vehicle tracking solution
- Intrusion alarm monitoring and response
- Scanning and frisking solutions
- Control room and Integrated command centre solution
- Drone based surveillance and business solutions

Segment's Financial Performance

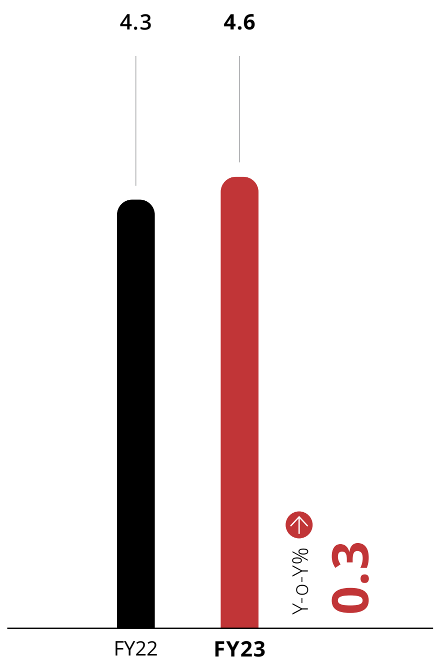
Revenue from operations
(₹ in Crore)



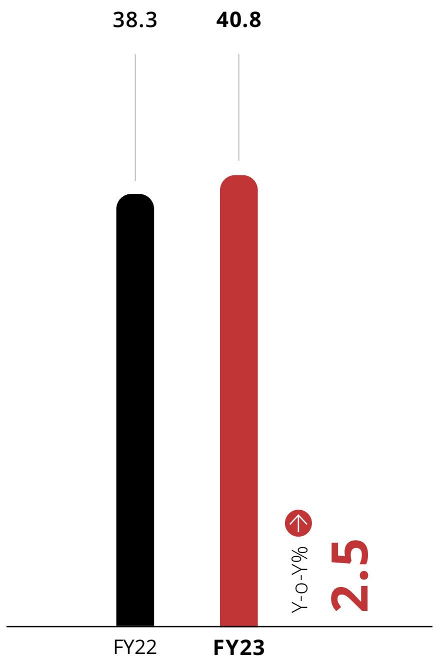
EBITDA
(₹ in Crore)



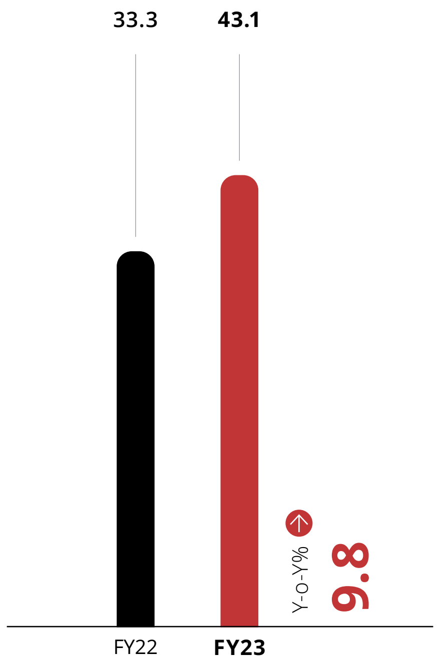
EBITDA Margin
(%)



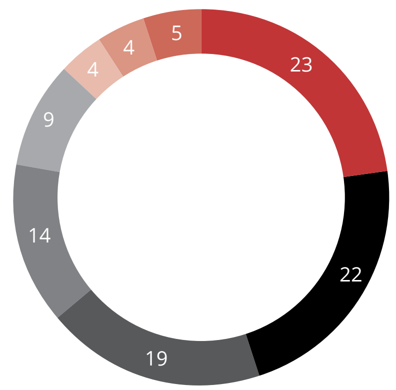
Revenue share in overall business (%)



EBITDA share in overall business (%)



Sector-Wise Sales Mix (%)



- Steel/Metals, Power, Mining, Oil & Gas, PSUs
- IT/BPO, BFSI, Telecom, Education
- Auto, Manufacturing, Logistics, Transportation
- Construction, Cement, Infrastructure, Fertilizer
- Healthcare & Pharma
- FMCG, Food & Beverage, Paper
- Hospitality & Retail
- Others

Business Review

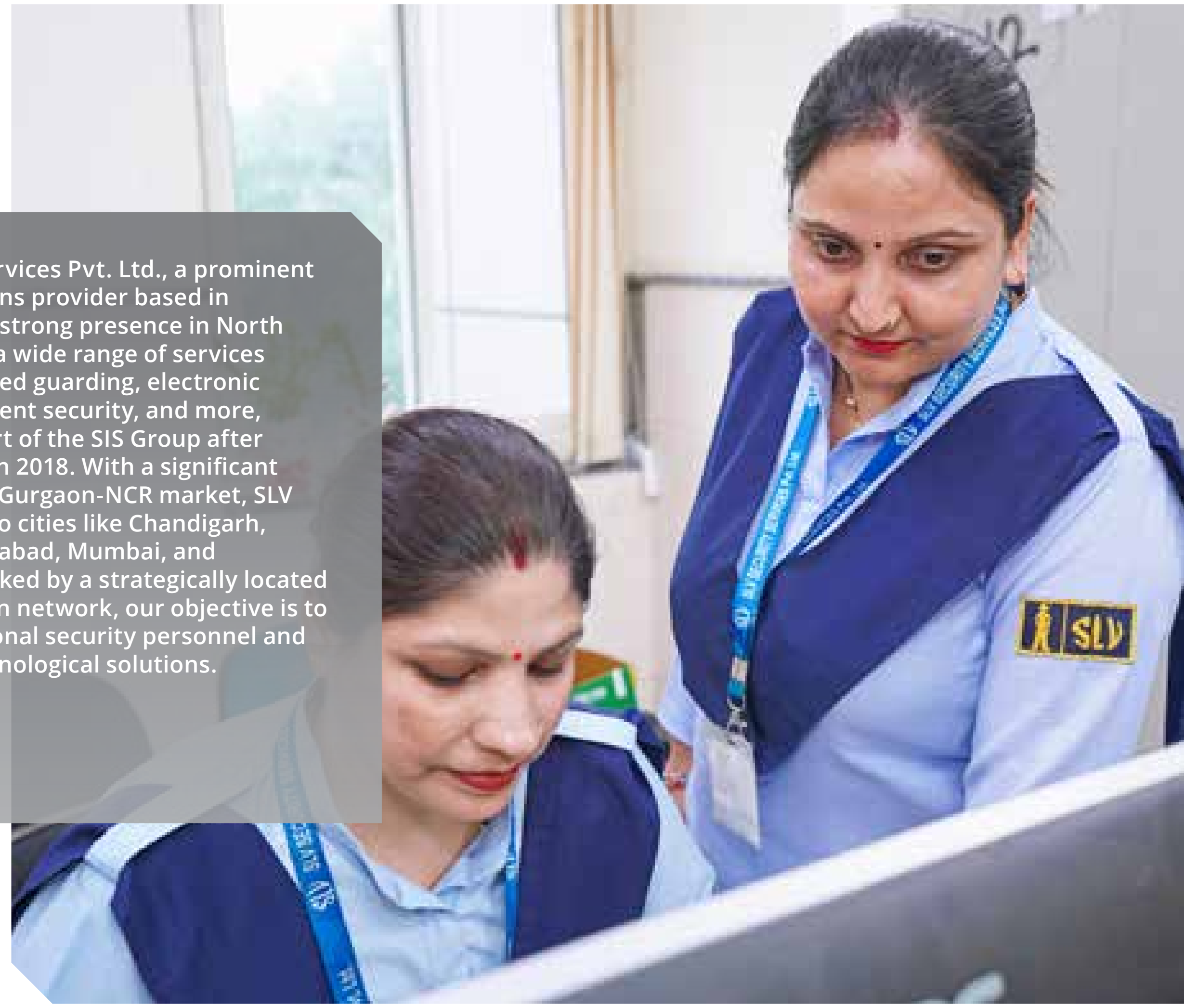
As the leading security service provider in India, SIS Security offers a range of services, including manned guarding, specialized security staff, and technology-oriented integrated security solutions. Through our innovative 'Man-Tech Solutions' approach, we seamlessly combine highly trained personnel with cutting-edge technology to deliver exceptional results.
With a strong focus on technology adoption and creating robust security foundations, we continuously evolve to exceed expectations and empower our customers for success.

Performance Highlights

- Achieved an impressive 28% increase in EBITDA and significant client growth of 36%
- Business demonstrated resilience and prosperity, which is evident in their revenue diversification across four geographical zones within India
- Secured contracts with Mahanadi Coalfields, ONGC, Escorts, BNY Mellon. Executed successful Man-Tech projects for HPCL, JCB, Ananda Dairy, Vedanta, and more
- Batch of technical consultants inducted at regional level for increased focus on ManTech and Solution business
- Scaled up MySIS -which is our proprietary- mobile app, to cover over 1.8 lakh employees spread across the country

Looking Forward

As the industry sees a growing preference for organized players, the company has ample room for significant growth. Moving forward, their focus will be on maximizing synergies with Group companies, strengthening brand visibility, and expanding their presence in Man-Tech solutions, which includes automating client operations and offering AI-based solutions. Furthermore, they will prioritize consolidating their position in key regions of the Indian market, solidifying their market presence.



SLV Security Services Pvt. Ltd., a prominent security solutions provider based in Gurgaon, has a strong presence in North India. Offering a wide range of services including manned guarding, electronic surveillance, event security, and more, SLV became part of the SIS Group after an acquisition in 2018. With a significant foothold in the Gurgaon-NCR market, SLV has expanded to cities like Chandigarh, Chennai, Hyderabad, Mumbai, and Sambalpur. Backed by a strategically located Branch & Region network, our objective is to deliver exceptional security personnel and innovative technological solutions.

Performance Highlights

- Witnessed a remarkable 24% revenue growth
- Remarkable win includes securing contracts with industry giants such as Hindalco, DLF, Reliance, and others
- Upscale condominiums with a portfolio of 70 luxurious properties in Gurgaon, amongst other customer segments
- Introduced Mobile Training Vans (MTVs) within condominiums, revolutionizing the way training is conducted
- Successful implementation of the innovative iOPS platform

Looking Forward

With a focus on diverse industries like residential, healthcare, education, and hospitality, the company aims to enhance its unique Man-Tech solutions. By integrating cameras, NFC cards, GPS devices, and remote monitoring with skilled security personnel, they optimize service offerings for efficient security solutions. Their goal is to provide smart and comprehensive security services leveraging technology across sectors.

Business Review

Founded in 1996, UNIQ Security Solutions Pvt Ltd is a premier security and consulting agency. After joining our Group in 2018, the Company has maintained a strong and prominent position within the industry. With over two decades of experience, they have a stronghold in southern states like Karnataka, Tamil Nadu, Andhra Pradesh, and Telangana. Offering armed and unarmed guards, CCTV surveillance, access control, investigation services, and consulting, UNIQ is committed to expanding their portfolio and establishing new relationships across a wider geography.

Performance Highlights

- Reported an increase in margin profile, due to conscious efforts towards higher margin new sales
- Some of the big wins for the Company included Sony, Infosys, TCS, Accenture, Heidelberg Cements and more
- Implemented effective strategies to enhance brand identity, ensuring better visibility of its branch offices in the market
- Successfully implemented platforms such as Oracle Fusion, Microsoft Power BI platforms to enhance the operational efficiency

Looking Forward

With continuous evolution of technology, UNIQ will strategically transition from providing manned guarding services to implementing complex service delivery designs and solution mechanisms. Emphasizing on its commitment to innovation, the Company will extensively leverage technology to enhance productivity, ensure superior service quality, and drive scalability improvements. Company's adaptability and customer-centric approach keeps them at the forefront of the industry's changing dynamics. By embracing technological advancements, they can consistently deliver innovative solutions that exceed expectations and drive long-term success.

Tech SIS, the electronic security division of our Group, provides integrated solutions to private and government sectors. The Company's offerings include AI, IoT, drones, access control, fire alarms, RFID, and 24/7 monitoring. With experienced engineers and technicians, they design and install tailored security systems for its customers. Their customer-centric approach and seamless solutions have earned them prestigious awards like the Frost & Sullivan Award and NASSCOM Innovation in Security Award.

Performance Highlights

- Achieved over 400 orders this year, demonstrating strong performance and market demand
- Successfully penetrated new segments, expanding its reach and customer base
- Did well by entering the Mining and Data Centre sectors through noteworthy large-scale projects
- Expanded its EM locking solutions from oil and gas to the dairy segment, providing secure and tamper-proof logistics solutions

Looking Forward

With India's steady economic growth, Tech SIS will capitalize on the surging demand for tech enabled security solutions. Company intends to continue penetrating new segments and securing on big-ticket projects to sharpen capabilities, deepen industry insights and maximise their brand salience. They will continue to explore new age solution offerings, specially under their Electronic Security as a Service (ESAS) offering.

Business Review

PROTECT
An SIS Group Enterprise

“The fastest growing and leading e-Surveillance company in India”

In 2017, the SIS Group introduced VProtect, a pioneering venture aimed to provide a robust alarm, monitoring and quick response solution for B2B and B2C customers. With a unique approach, VProtect seamlessly integrates an AI-enabled monitoring platform with a human interface, providing an advanced level of security and peace of mind. The Company is on a mission to eliminate common threats, providing 24/7 security with trained response officers and advanced technology platform.

VProtect Edge

24 Hour Monitoring

The state-of-the-art monitoring center diligently tracks events and swiftly sends real-time alerts as they occur.

Low Maintenance of Security

Opting for round-the-clock guard services can be costly for residences or SMBs, making the company’s solution an ideal choice for cost reduction.

Prevents Crime in Immediate Vicinity

Installation of security system results in the reduction of crime rate in the locality, even for those who do not have a system but live in the same locality.

Emergency Response

In case of a fire or medical emergency, the company’s monitoring center ensures swift response from the necessary civic authorities, guaranteeing immediate assistance.

Provides Remote Access

Individuals have the ability to remotely monitor their property from anywhere, granting them control over various aspects such as adjusting locks, lights, and more.

Performance Highlights

- Celebrated a remarkable year of accomplishments, marked by robust 80% revenue growth
- Achieved growth of 10% in the B2B segment, demonstrating their strong presence and success in serving business customers
- Further maintained 100% response SLA for customers
- Focussed on embracing new solutions for clients by enabling AI in its solutions
- Launched “Go Secure”, an innovative mobile security solution
- Achieved fast alarm disposal time of 179 seconds, managing over 28,30,912 alarms per month
- Strong order pipeline with major clients like Central Bank, Canara Bank, and Equitas Small Finance Bank

Looking Forward

VProtect recognized the growing global and Indian demand for Alarm Monitoring and Response Solutions (AMRS). Moving ahead, they will leverage their extensive service portfolio and network coverage to maximize operational efficiencies. Its key focus areas include PSU Banks, Private Banks, NBFC Segment, and B2C, along with developing a new segment for asset monitoring. They aim to enhance efficiency through hardware optimization and integrate automation for streamlined reporting.

Business Review

Security Solutions International

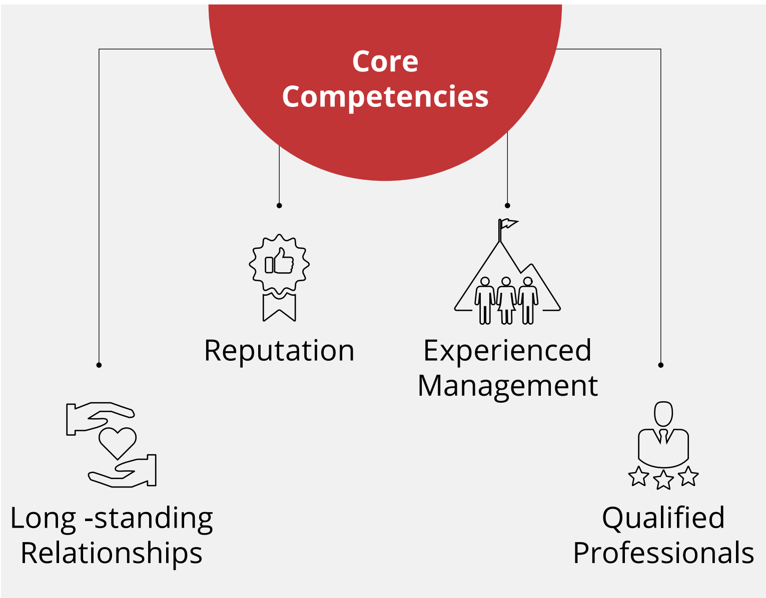
Leading security solution provider in Australia, New Zealand and Singapore

SIS International offers an extensive range of security & safety services, including patrols and emergency response, alarm / CCTV monitoring, aviation security, emergency medical & rescue, clinical governance, security guards / officers, etc.

Business Review

Industry Overview

The global security solutions market, valued at US$ 249.65 Billion in 2018, is expected to witness significant growth, reaching US$ 483.62 Billion by 2026. This forecasted growth reflects a CAGR of 8.84% during the forecast period. The increasing need for advanced security measures across various industries, coupled with the rising threat of cybercrime and terrorism, is driving the demand for robust security solutions worldwide. Factors such as technological advancements, adoption of cloud-based security solutions, and strict regulatory requirements are further contributing to market expansion. Key players in the industry are focusing on innovative solutions to capitalize on this growing market opportunity.



Key highlights

9,116
Employees

9,837
Customers

20%
Market share in Australia

94%
Customers retention

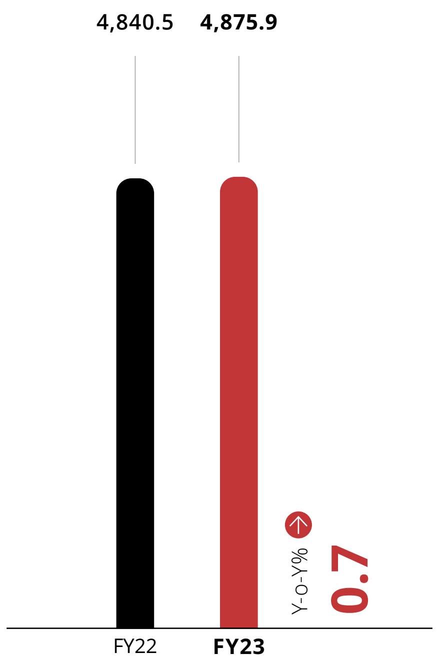
Our Offerings

Manned Security Solutions

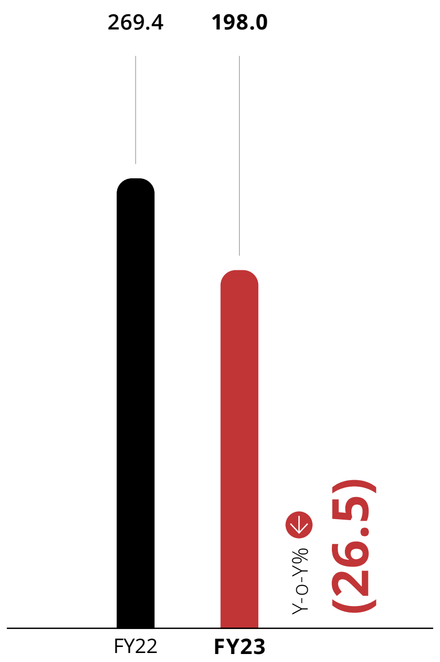
- Security Guard/ Officers
- Event Security
- Aviation Security
- Patrols and Emergency Response
- Concierge Services
- First Line Maintenance (FLM)
- Alarm/ CCTV monitoring
- Critical Risk Management
- Clinical Governance
- Event Security

Segment's Financial Performance

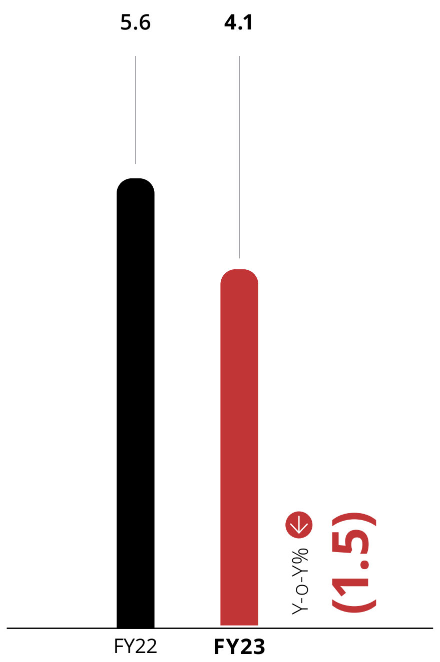
Revenue from operations
(₹ in Crore)



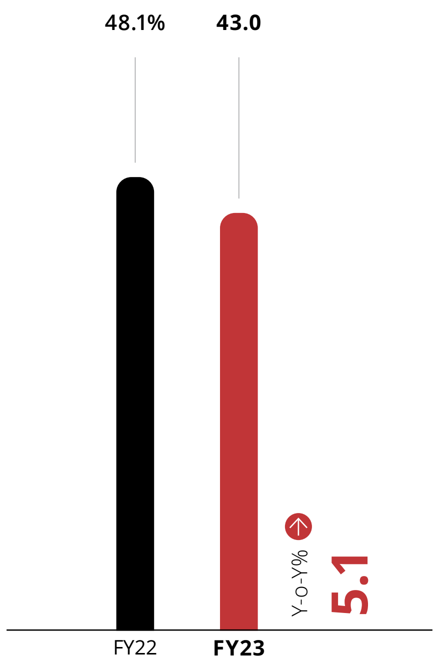
EBITDA
(₹ in Crore)



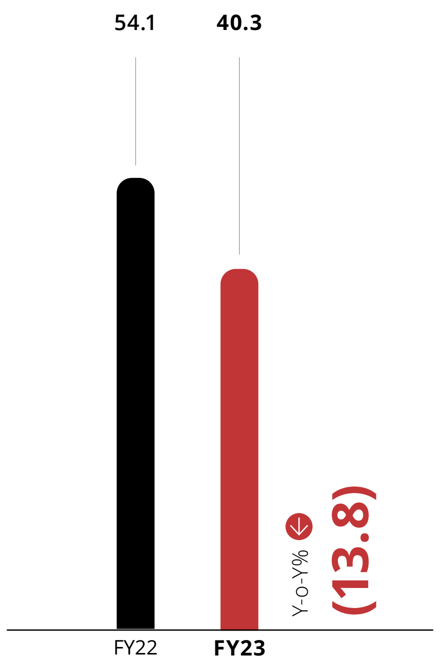
EBITDA Margin
(%)



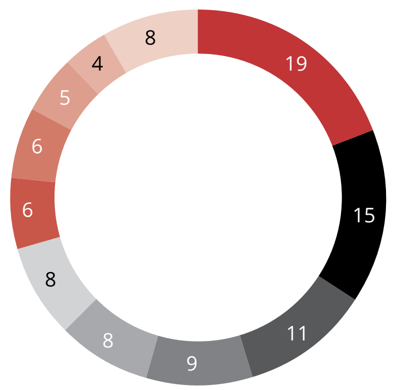
Revenue share in overall business (%)



EBITDA share in overall business (%)



Sector-Wise Sales Mix (%)



- Government
- Commerce/ Industrial
- Defence
- Retail
- Healthcare
- Education
- Mining/Gas/ Resources
- Aviation
- Entertainment/ Events
- BFSI/IT
- Others

Business Review

MSS security
An SIS Group Enterprise

As Australia's largest and most trusted security company, MSS Security boasts unparalleled geographic coverage across the country. With a century-long history, they specialize in customized security and emergency response solutions across diverse market segments. From arts and events to aviation, education to government, their technology-driven approach and well-trained personnel ensure best-in-class services tailored to each client's specific requirements. With a commitment to excellence, MSS Security proudly serves as the preferred security partner for leading Australian organizations, prioritizing client safety and security.

Performance Highlights

- Successfully implemented the 'Start-Stay-Succeed' program to combat attrition and enhance employee retention
- Acquired Safety Direct Solutions (SDS) to enhance medical and rescue operations
- Established centralized National Operation Centre (NOC) in Sydney
- Secured AU$13M orders from strategic medical rescue and Australian states, including Brookfield, BMA, Westpac, KYNDRYL, and NDIA
- The Australian labour market witnessed record low unemployment rates that had an upward pressure on the wage costs

Looking Forward

MSS aims to strengthen its position by prioritizing the delivery of increased value to its clients through technological innovation and integrated solutions combined with its existing offerings. This approach will create a mutually beneficial situation, where clients receive reliable and improved outcomes from our services while MSS achieves better profit margins. In the short term, key objectives include improving recruitment and retention results in the challenging labour market, upgrading systems and technologies, and eliminating operational inefficiencies. These efforts are crucial in reducing the overall cost of doing business for MSS.

southern cross protection

Established in Melbourne after World War I, their commitment to progress and pioneering new security practices has been unwavering. SXP operates the largest national security patrol network in Australia, with its fully equipped fleet of vehicles and highly trained security patrol officers. Security Patrol is an ideal solution for customer sites like shops, restaurants and independent residents where the cost of deploying a full-time security personnel is not viable.

Performance Highlights

- Reported double-digit growth Y-o-Y
- Secured AU$ 11M worth of new orders from prestigious clients including Amazon, Australian Broadcasting Network, Essential Energy, and Melbourne Water Catchment
- Invested in several customer facing and back end systems to enable proof of service, safe working conditions, rostering systems and route planning

Looking Forward

SXP has strategically built capabilities to serve the needs of specific industries and commands an unparalleled network in Australia for delivering patrols. They will continue to invest in customer-facing and back-end tech systems that will enable operational and back-office efficiencies and deliver a comprehensive solution to clients. Company will also continue to focus on growth by building upon these specific capabilities and leveraging the network. Successively, they shall build on enhancing the margin profile through economies of cost that come with increased scale and renewed focus on recruitment and retention.

Business Review

Platform 4 Group (P4G) is a team of trained security professionals serving Auckland, Tauranga, Wellington, Christchurch, and New Zealand. They provide reliable and cost-effective security services to private, commercial, and government clients, catering to various needs like events, health facilities, retail centers, film studios, construction sites, and hospitality venues. P4G sets high standards, empowers its personnel with career goals, and strives to exceed client expectations, making them a leading security services company in New Zealand.

Performance Highlights

- Since acquisition, P4G achieved remarkable fourfold growth in four years, establishing itself as a prominent national player with comprehensive services
- Achieved an impressive ~27% increase in revenue this year
- Generated revenue exceeding NZ$ 4M from prestigious clients such as Forsyth Barr, Meridian Mall, KYNDRYL, Chemist Warehouse, and Goodman Fielder
- Primarily focussed on optimizing recruitment, retaining top talent, and ensuring reasonable labour costs to prioritize competitive compensation, employee happiness, and job satisfaction as part of their strategic planning

Looking Forward

To sustain its profitable growth, P4G will continue to leverage its position as a recognized national player with a wide range of comprehensive services. The company intends to capitalize on this advantageous positioning by actively cross-selling services and expanding client relationships from other SIS entities. By fostering collaboration and synergy within the organization, they aim to unlock new opportunities, enhance client satisfaction, and drive continued growth in a profitable manner.

Founded in 2005, Henderson Security is a trusted provider of security services across residential, commercial, and government sectors. In 2013, Henderson Technologies was established, expanding their offerings to include technician services and security technology expertise. With a dedicated team of highly trained personnel and cutting-edge technologies, they offer comprehensive security solutions. Committed to reliability, efficiency, and cost-effectiveness, Henderson Security ensures peace of mind to their customers through safeguarding their assets.

Performance Highlights

- Secured new orders surpassing SG$ 5M from prestigious clients including Ministry of Education, Sentosa Cove, Connexion, and Seagate
- In the first year after the lifting of COVID border restrictions, the Company recruited manpower from Malaysia and Singapore to meet operational labour requirements
- Henderson continued to tender for win and effectively deliver on outcome-based contracts, a direction that the Singaporean government is actively encouraging the market to take
- Focussed on various margin increasing initiatives on both, strategic and operational aspects

Looking Forward

Singapore's security industry is transitioning post the difficult COVID period, with the government encouraging tech-enabled outcome-based engagements and upskilling of the manpower to ensure increased productivity and provide higher security standards through its progressive wage model. Henderson has a robust pipeline and is well positioned, with its strong brand and compliance track record, to capitalize on these opportunities. Solution bundling will be a key focus area going forward for the business.

Business Review

Facility Management Solutions

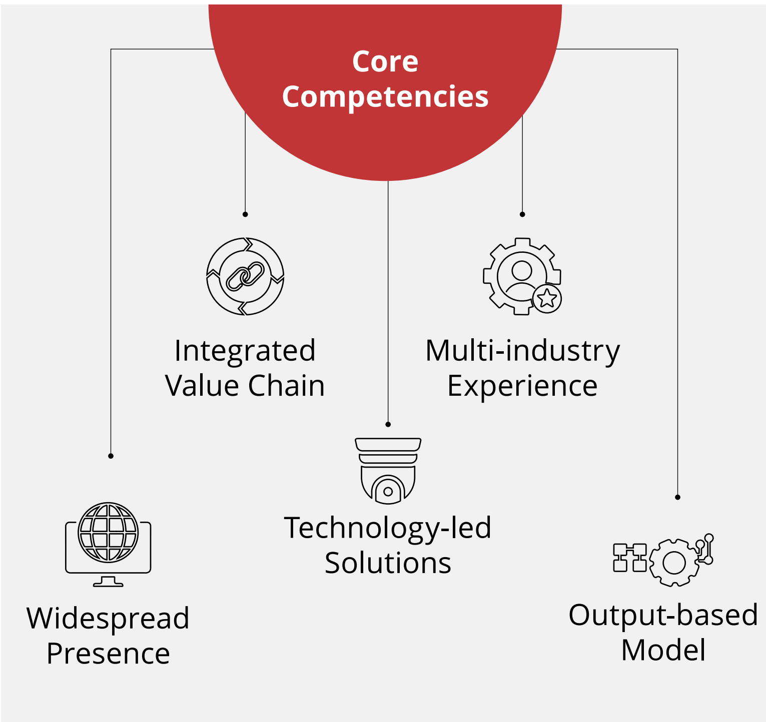
#1 Facility Management Solutions Provider

In India's Facility Management industry, we operate four distinct brands: ServiceMaster Clean (SMC), Dusters Total Solutions Services (DTSS), RARE Hospitality (RARE), and TerminixSIS (TxSIS). SMC, DTSS and RARE offer integrated Facility Management solutions with a focus on productivity-driven value propositions. On the other hand, TxSIS specializes in delivering comprehensive disinfection and pest management solutions.

Business Review

Industry Overview

The Indian facility management market is projected to reach a value of ₹ 2,32,800 Crore by 2024. This market is characterized by fragmentation and offers significant consolidation opportunities. Growth is driven by increasing outsourcing trends, government investments in infrastructure, rising environmental compliances, and a shift towards Integrated Facility Management solutions. Technological advancements play a crucial role in enhancing efficiencies and delivering greater value to clients. Large customers now seek outcome-focused strategic partnerships, recognizing the importance of cleaning and workplace management services in shaping corporate culture, employee wellness, and engagement. As economies recover from the COVID-19 pandemic, the Facility Management market is expected to grow, with solution providers viewed as essential hygiene partners by businesses.



Key highlights

82,308
Employees

2,119
Customers

9,018
Customer sites

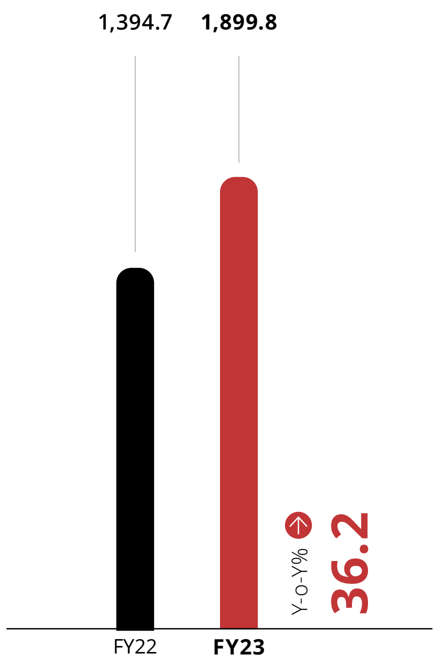
74
Branches

Our Offerings

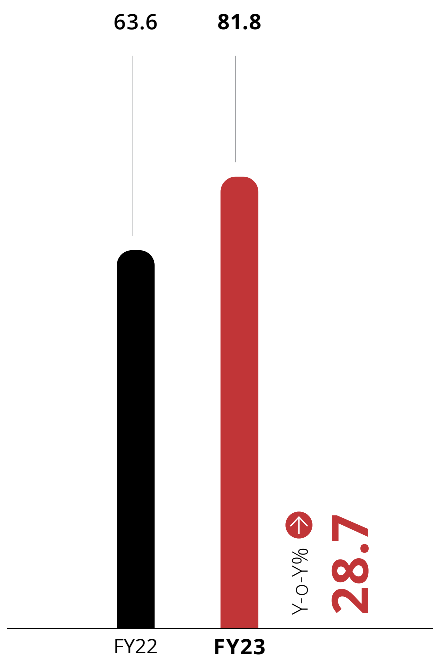
Property Maintenance Services	Pest Control Solutions		
Cleaning and Housekeeping Solutions	Termite control	Rodent control	Mosquito control
Integrated Facility Management	Bird control	Insect control	Flea control
Janitorial Support	Bed bug control	Other services including inspection, training and consulting	
HVAC Maintenance			

Segment's Financial Performance

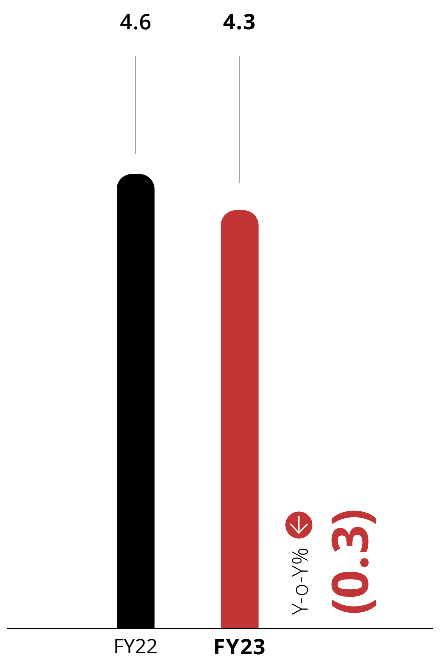
Revenue from operations
(₹ in Crore)



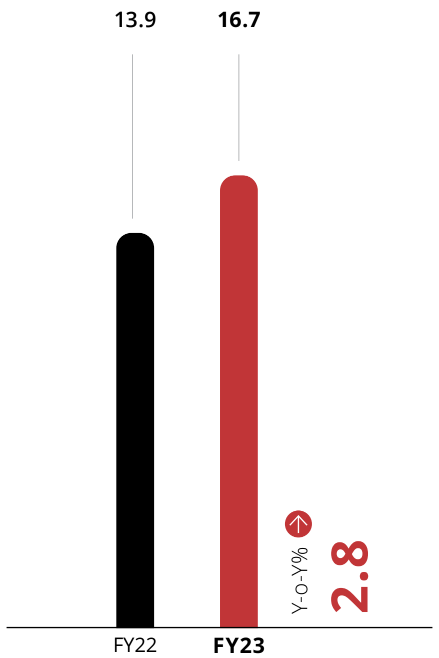
EBITDA
(₹ in Crore)



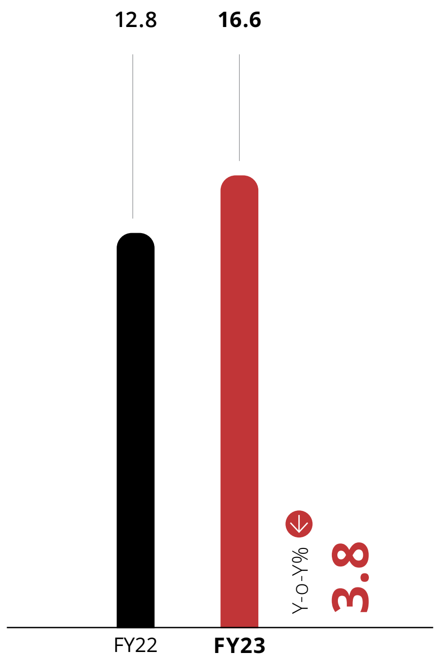
EBITDA Margin
(%)



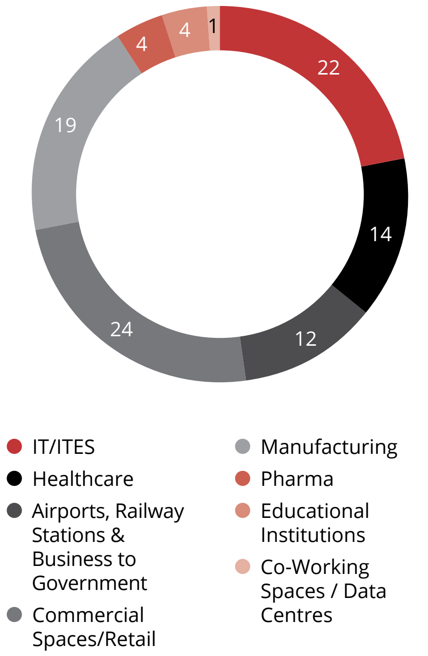
Revenue share in overall business (%)



EBITDA share in overall business (%)



Sector-Wise Sales Mix
(%)



Business Review

With a 29-year history, Dusters Total Solutions Services Pvt Ltd (DTSS) is a leading provider of comprehensive facility management solutions. Since joining the SIS Group in 2016, DTSS has become an intelligent and reliable FM service partner. By embracing digital integration, they deliver tailored end-to-end solutions, covering soft FM services like housekeeping and support staff, as well as hard FM services like plumbing, electrical, and HVAC systems.

Performance Highlights

- Exceeded ₹ 1,000 Crore in annual revenue with 31% Y-o-y growth
- Diversified customer base from Healthcare, Education, Data center, Commercial, Manufacturing, and IT/ITES sectors
- Expanded Healthcare segment to 105 hospitals, adding 19 new locations
- Opened new branch offices in Sriperumbudur, Gachibowli, Madhapur, Chennai OMR, and Kolkata
- Secured new orders from diverse clients including Samsung, Zepto, Praj, FIAT, SKF, GKN, P&G, and more
- Initiated development programs namely LEAP Emerge, SMART supervisor for frontline staff

Looking Forward

Growth in commercial and residential construction is leading to increased adoption of hard facility management services and cleaning services in India. Going forward, to leverage these opportunities, they would further enhance digital capabilities like scaling up iOPS (Intelligent Operation Control System) platform to streamline their operations and improve customer experience. It would also strengthen customer relationships through initiatives such as OYC and C-Sat, alongside expanding into new geographies.

ServiceMASTER® India was established in the year 2008 through an international master license agreement between ServiceMASTER®, the USA and SIS India Ltd.® It specializes in providing core IOT based Maintenance Management Solutions, Energy Management Solutions, Smart Surface Disinfection Program, Antimicrobial Surface Treatment, Airborne Infection Prevention and Control Solutions. The company manages a portfolio of over 175 Million Sq Ft area PAN India, serving various sectors such as healthcare, pharma, manufacturing, residential, retail, education, and commercial complexes with state-of-the-art operating program.

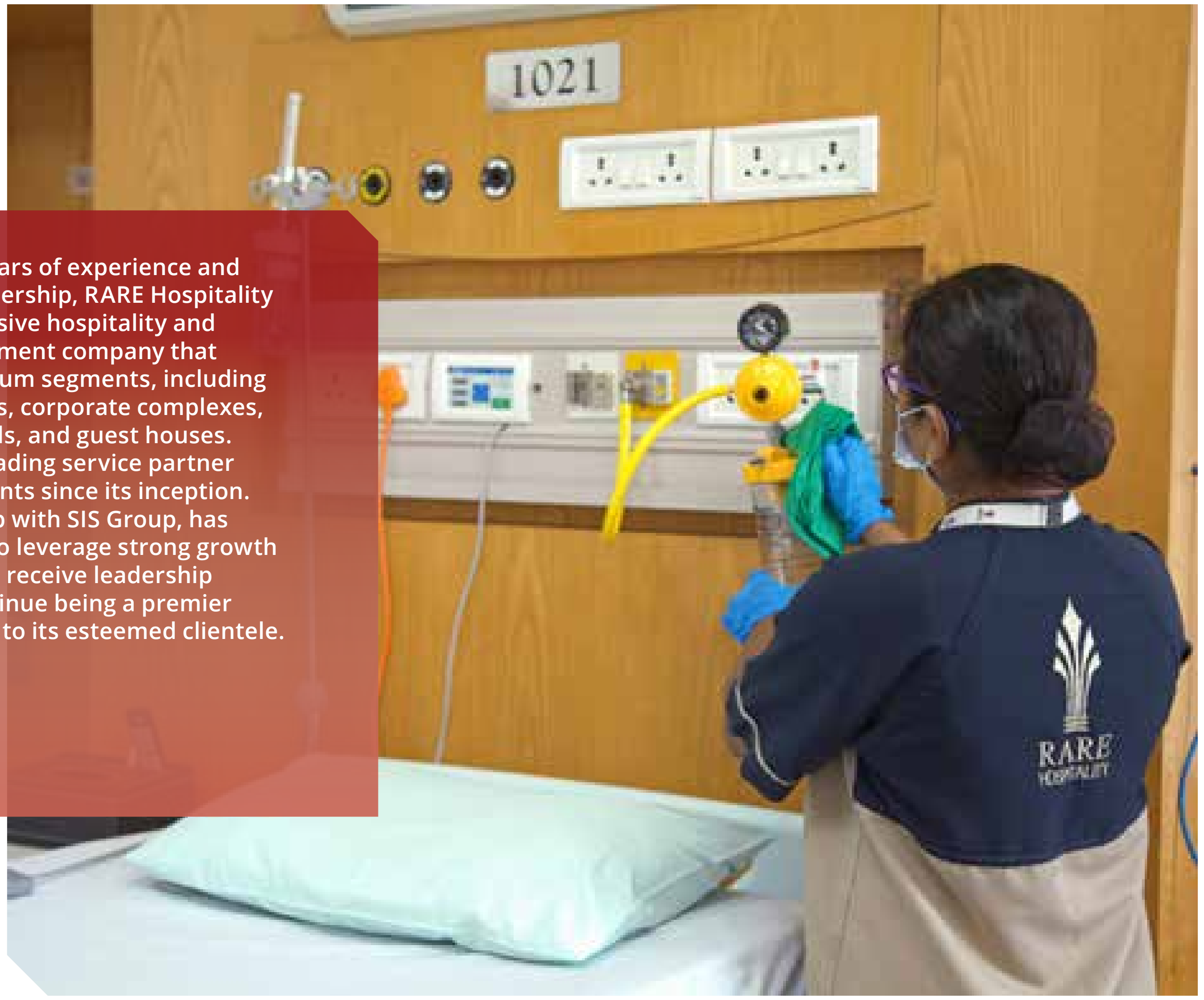
Performance Highlights

- Achieved remarkable 54% growth through successful market expansion
- Strong presence established in healthcare and notable growth in education sector
- EBITDA margin grew by an impressive 95% compared to the previous year
- Committed to promoting ESG initiatives, including water and carbon reduction
- Introduced Wireless Building Management System for improved automation and data collection
- Implemented indoor air quality system to protect against UV radiation
- Introduced skill development programs for employees

Looking Forward

With rising demand for facility management services, SMC will capitalize on the market by focusing on inside sales and technology-driven processes. They will prioritize ESG practices and adopt a forward-looking approach to deliver exceptional FM solutions that align with industry trends and evolving market needs.

Business Review



RARE HOSPITALITY
An SIS Group Enterprise

With over 30 years of experience and knowledge leadership, RARE Hospitality is a comprehensive hospitality and facility management company that manages premium segments, including hospitals, banks, corporate complexes, refineries, hotels, and guest houses. It has been a leading service partner to marquee clients since its inception. The partnership with SIS Group, has enabled RARE to leverage strong growth projections and receive leadership support to continue being a premier service partner to its esteemed clientele.

Performance Highlights

- Impressive 19% growth showcases strong market performance
- Introduced IQMS solution to healthcare segment.
- Leveraged technology for enhanced operational efficiency
- Strengthened Digital Lead Management for sales productivity
- Committed to ESG initiatives, including water and carbon reduction
- Secured orders from Ashok Leyland, Paras Health, Federal Bank, IBIS hotel, JIO, and more

Looking Forward

The Company's core objective is revenue expansion through large contracts and integrated Facility Management agreements. They will prioritize healthcare while expanding to power, hospitality, and manufacturing sectors, delivering smart solutions through digitalization and mechanized cleaning. Financial prudence and operational excellence will drive sustainable growth and value creation. Their forward-thinking approach ensures industry leadership and customer-centric excellence.

TERMINIX SIS
Secured from pest...Assured by world's best
An SIS Group Enterprise

TerminixSIS India, a subsidiary of the SIS Group, is a leading provider of pest control solutions. TerminixSIS India operates from key cities, offering premium pest management solutions to diverse sectors with a reputation for unwavering quality and reliability.

Performance Highlights

- Leveraged group-level relationships for additional revenue, showcasing strategic partnership capabilities
- Awarded top response speed at JLL Partner Summit, among 3000 vendors
- Successful launch of AUDIT X app, aiding customers in paid Pest Control Audits
- Recognized for exceptional responsiveness and customer satisfaction
- Expanded portfolio by introducing high ceiling B2B Cobweb control and digital marketing services
- Secured big wins, including Taj Hotel, Grand Hyatt, Reliance Jio, maintaining consistent high customer satisfaction (>95%)

Looking Forward

As the demand for higher hygiene standards in public areas continues to grow, India's pest control services market is expanding. In the upcoming year, Terminix SIS focus will remain on sectors where they have expertise, including food processing, healthcare, manufacturing & warehousing, and property management. They aim to enhance pan India delivery by expanding their presence in larger-sized national accounts and strategically targeting nationalized accounts. Becoming the preferred vendor for large Integrated Pest Control (IPC) companies while expanding their IPC network is a key objective. Additionally, they strive to explore new specialized services and innovate their product offerings to meet the evolving needs of the customers.

Business Review

Cash Logistics Solutions

2

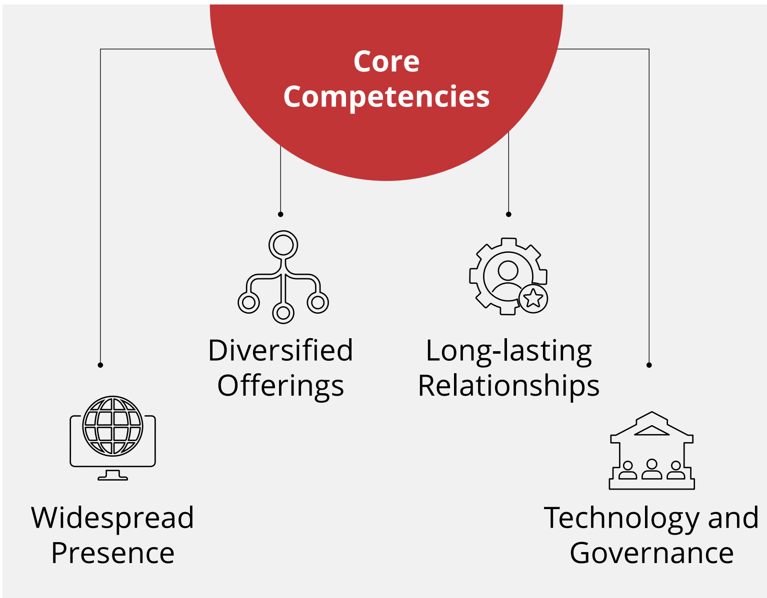
#2 Cash Logistics Solutions Provider

We have partnered with Prosegur, a well-established global leader in cash solutions, to offer cash logistics services in India. With a 49% holding, we are the second-largest cash logistics provider in the country, catering to a diverse clientele with a comprehensive range of solutions. The company transformed into a leading provider of Bank Outsourcing and Support Solutions, expanding services, deepening customer engagement, and introducing innovative technology. By delivering enhanced value and exceptional service, it has positioned itself for future growth and seizing promising opportunities in the industry.

Business Review

Industry Overview

The global cash logistics market, valued at ₹ 1,682.9 Crore in 2020, is anticipated to reach a market size of ₹ 3,327.9 Crore, with a CAGR of 6.9% between 2021 and 2030. India is a world's most populous country in the world and the sixth-largest economy, is witnessing an increase in currency circulation and growing security concerns among banks and corporates. These factors are expected to drive the demand for cash logistics solutions. As the need for secure and efficient cash management rises, the cash logistics market is poised for significant growth.



Key highlights

#2
Cash Logistics company in India

10,517
Employees

3,111
Cash vans

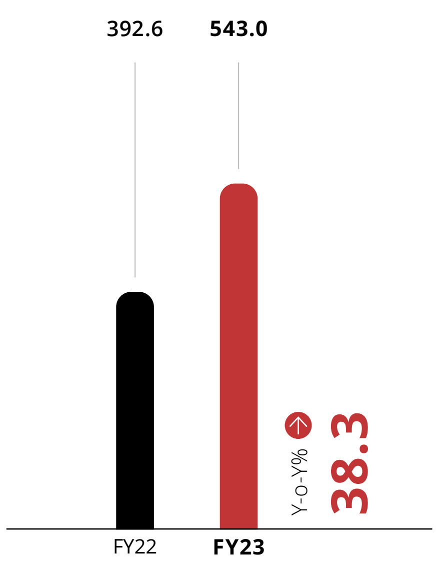
47
Vaults

Our Offerings

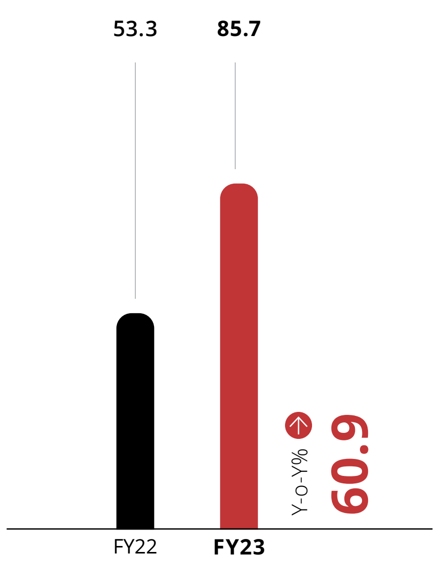
Cash in Transit	Cash Processing Outsourcing	ATM replenishment
Cash Assistant – Cash Processor	Vaulting	Bullion Management
Value Cargo	PEGE	Cash Today

Segment's Financial Performance

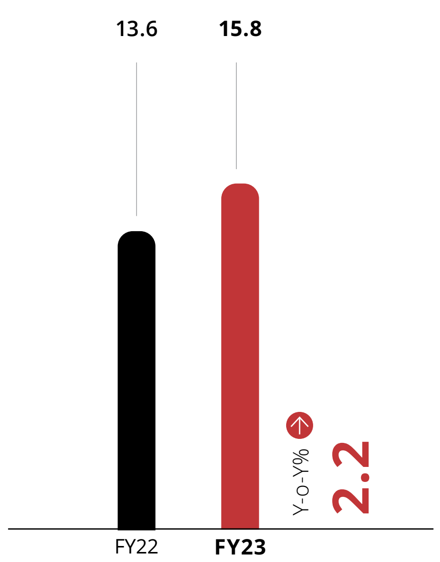
Revenue from operations
(₹ in Crore)



EBITDA
(₹ in Crore)



EBITDA Margin
(%)



Performance Highlights

- Our cash logistics segment experienced substantial growth driven by sales and government tenders
- We achieved impressive results with 38% revenue growth and 61% EBITDA growth compared to FY22
- We expanded product offerings beyond ATMs, targeting non-ATM products and services
- Our Companies SIS Prosegur and SISCO introduced new products to diversify portfolios
- We introduced door-step banking services and implemented Cash Deposit Machines (CDM) for convenience
- We leveraged cutting-edge AI-integrated technology to improve productivity and operational efficiency
- We prioritized effective training programs and competitive salaries to attract and retain top talent
- We were successful in securing notable clients like HDFC Bank, ICICI Bank, and Tata Group for various solutions
- We added innovative value cargo and moving passport services

Looking Forward

Thriving in India's cash management industry, we aim to expand into untapped markets and regions. Diversifying beyond ATMs, we will explore innovative non-ATM solutions for increased revenue. Advanced technologies like AI will optimize operations, while partnerships with banks and retail chains will secure long-term contracts. With a focus on exceptional service, continuous improvement, and employee training, we are focused to maintain a competitive edge for sustained growth.

Value-Creation Model

A Holistic Approach to Create Value

How we are positioned

Industry Position
SIS is US$ 1.4 Billion, listed (NSE: SIS), Indian MNC and market leader in the essential services segment.

International Reach
Operates in the Asia-Pacific (APAC) region, encompassing India, Australia, New Zealand, and Singapore

Focus on Digital Transformation
Pioneer in innovating and adopting technology initiatives to enhance the delivery of excellent services to our customers.

Trained Professionals
Largest Training infrastructure and manpower supply chain in the industry in India.

Customer Centricity
Capitalizing on trust and belonging among our customers for long term relationship

Focusing on Comprehensive Solutions...

...Tailored for Unique Needs

As provider of essential services, our approach ensures we prioritize our customers wants and invest in exceeding expectations.

Cash Logistics
From safely managing and securing cash to delivering and transporting cash

Transitioning from a services company to a solutions company

VISION 2025 BETTER & BIGGER

Transforming our market leadership into meaningful market share.

Security Services
From security personnel for specialized guarding to technology-enabled security solutions, e-surveillance, system integration, alarm monitoring and response services

Facility Management
From maintaining cleanliness and hygiene to skilfully managing utility services

Creating value for our stakeholders

Society
We are committed to delivering a wide range of social and economic benefits to the communities where we operate.

Customers
94% of our customers choose to continue taking our services at the end of the contract.

Serving a wide range of customers in India, Australia, New Zealand and Singapore.

Shareholders
From FY17 to FY23, we achieved a revenue CAGR of 17.2%, approx 20% ROE, and an average OCF/ EBITDA of 58%

Employees
We employ more than **2,83,322 people** and keep their interest above profitability of the company

Partners
Through continuous communication and collaboration with third party suppliers, we are strengthening our long term partnerships

Stakeholder Engagement

Engaging with Purpose to Drive Value Creation

We embrace an inclusive approach to identify short and long-term growth strategies. Over the past few years, we have engaged with diverse stakeholders, including customers, shareholders, employees, business partners, influencers, and community members, to understand their expectations and concerns. This helps us to develop strategies that are aligned with their needs and priorities.

Engaging with stakeholders is crucial. This is due to our significant workforce, global reach, and our responsibility to society.

By understanding the interests of our stakeholders, we can determine our strategic priorities, guide our initiatives, and shape our remuneration policies.

To identify our material CSR priorities, we conduct a formal exercise every two years

Guiding Principle

- People, Culture and Values
- Growth
- Profitability
- Financial Discipline
- ESG Approach

Read more
PG 60-72

Community

We strive to empower lives and contribute to societal well-being by implementing strategic interventions in the regions where we operate.

How do we engage with our stakeholders

- Operations which promote secure and stable communities
- CSR materiality review with key stakeholders
- Community engagement program
- Substantial tax and economic contributions
- Government relationships and parliament engagement
- Industry forums

Key Highlights

4
Mega Projects for Community

Customers

Our goal is to be the preferred service provider by offering a diverse range of solutions tailored to our clients' needs.

How do we engage with our stakeholders

- Maintain a leading edge in operational innovation
- Strive for operational excellence to ensure the highest quality service delivery
- Stay closely connected with customers, proactively address their concerns, and maintain a responsive approach
- Enhance sales force productivity by utilizing advanced CRM tools
- Prioritize frontline and customer perspectives to drive continuous improvement
- Leverage OneSIS to optimize customer mining and lead generation activities

Key Highlights

21,471
Customer base

94%
Customer retention in India

Shareholders and Investors

Deliver optimal returns with the highest standards of corporate governance

How do we engage with our stakeholders

- Achieving market-leading growth in revenue and profitability
- Leverage technology to enhance collection efficiency and improve working capital management
- Mitigate risk through standardized contracts and refined delivery requirements
- Effectively manage operating cash flow to ensure liquidity and financial stability
- Ensure sustained high returns on capital employed and net worth
- Reduce portfolio risk by diversifying across regions, customers, and business units

Key Highlights

₹ 11,346 Crore
Revenue growth
12.8% Y-o-Y

₹ 344 Crore
Operating PAT
19.2% Y-o-Y

Employees

Being an employer who cares for its people and rewards them with benefits

How do we engage with our stakeholders

- We are prioritizing employee welfare and incentivize team performance
- Emphasizing organization-wide training programs to promote growth and development
- Attracting skilled and dedicated talent from outside the company and foster internal talent through career development opportunities
- Implement ongoing feedback mechanisms and objective appraisal processes to improve performance
- Creating a culture of ownership and accountability throughout the organization
- Providing job enrichment opportunities through exposure to emerging challenges in new regions and business units
- Ensuring equal opportunity for all employees and a commitment to diversity and inclusion

Key Highlights

2,83,322
Total number of employees

3 Lakh+
Employees trained every year

Ranked #4
amongst the 'Best Companies to Work For in India', by Great Place To Work (GPTW)

4
Collaborations for healthcare services to over 2.83 Lakh employees

Our Materiality Assessment

Mapping Our Priorities

Conducting a materiality assessment is crucial in identifying the Environmental, Social, and Governance (ESG) areas that are most relevant to our business and stakeholders. Through engagement with internal and external stakeholders, we prioritize material issues that have a significant impact on our ability to create value. This approach helps us to align our business strategy with ESG considerations and drive sustainable value creation.

Materials Topics

High Impact

- Our People
- Health and Safety
- Customer Engagement
- Employee Training and Career Development
- Community Development

Low Impact

- Vehicular Emissions Management

We follow the principles of equity, fairness, integrity, transparency, accountability and commitment to values

- Ethics and Corporate Responsibility
- Our Foundation
- Compliance

Opportunity Landscape

Emerging Trends in the Industry

The Security, Facility Management and Cash Logistics industry have vast growth potential, and we at SIS Limited, are poised to capture the emerging opportunities by leveraging innovative solutions and streamlined processes. We are committed to staying ahead of the curve and making the most of the growth opportunities in the market.

India's GDP is expected to grow by 7% in 2023 as per RBI and 6.5% in 2024 which should boost the demand for security services in the economy. At the same time, Australia, New Zealand and Singapore is also expected to have positive economic growth.

India's growing infrastructure and manufacturing sectors are expected to enhance the demand for security and allied services. The infrastructure sector is predicted to reach US$ 1,008 Billion by 2027 with a CAGR of 8.2%+, while the manufacturing sector is poised to reach $ 1 Trillion by 2025.

More organizations are opting to outsource their security services to specialized providers, freeing up internal resources and gaining access to greater expertise and resources.

The electronic security market is witnessing a surge in growth due to the rising adoption of e-security solutions in response to rapid urbanization, smart city projects, and large infrastructure developments. This trend is expected to continue as businesses and governments prioritize the safety and security of their assets, people, and data.

Our Response

At SIS Limited, we recognize the crucial role that safety and security, hygiene and cleanliness, and effective cash management services play in today's world. As a market leader, we take pride in managing the largest team of highly skilled professionals, both domestically and internationally. To remain at the forefront of the industry, we continuously strive to adopt the latest technological tools and solutions to enhance our offerings.

Looking ahead, we are keen to expand our operations to further consolidate our leadership position across markets. Our innovative solutions and streamlined processes give us confidence that we can successfully penetrate these markets and create value for our shareholders.

Our Vision 2025 is designed to capitalize on the above emerging trends and maximize shareholder value. We will continue to make the right investments in our people, technology, inorganic growth, and new business solutions, which will give us a competitive advantage over our industry peers.

Strategic Priority

Accomplishing our Vision 2025

> Our Vision 2025, which came into effect in FY21, outlines the goal of transforming our market leadership into meaningful market share and transitioning from a Services Company to a Solutions Company

VISION 2025

BETTER & BIGGER

While maintaining the foundation of our strategy, we are committed to nurturing our business as a self-sustaining ecosystem that thrives on shared principles.

Looking ahead, we will uphold our purpose, core values, people, and culture while actively pursuing opportunities driven by customer needs, our capabilities, and disruptive innovation. To achieve our ambitious goals and mitigate risks, we have devised a comprehensive agenda centred around three levers of change and scale. This strategic approach will empower us to adapt, evolve, and effectively manage growth while staying true to our vision and fostering a resilient and progressive organization.

Transitioning from services to solutions Company

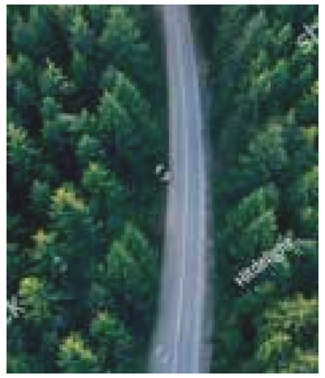
Our comprehensive range of strategic offerings and innovative solutions, empowers us to leverage current industry trends and achieve our Vision 2025.

Embracing market dynamics...	...by offering inclusive services	Built on our current position	Vision 2025
As the Security Services industry looks for protective solutions, predictive security and risk analysis...	...we offer advanced technology services such as Alarm Monitoring and Response Solutions, as well as professional patrolling services.	Best provider of Security, Facility Management and Cash Logistics solutions	Transforming into a Solutions Company
As the facility management industry searches for vertical specialisation, complex engagement and specialised skills...	...we offer SLA-based Integrated Facility Management and One SIS.	Market leader across the segments in Asia-Pacific Region	Accelerating towards meaningful Market Share
As the cash logistics industry seeks retail opportunities and cash management solutions, like currency chests/ vaults...	...we provide comprehensive Outsourced Currency Management solutions for ATMs, along with a range of other services including PEGE, Cash Today, CACP, and Value Cargo.		

ESG Approach

The Backbone of our System

We prioritize sustainable corporate practices while delivering consistently superior performance as the market leader in Security, Facility Management, and Cash Logistics solutions. To achieve this, we have established a holistic and comprehensive framework allowing us to measure our performance against our environmental, social, and governance priorities enabling us to identify improvement areas and ensure our operations are socially and environmentally responsible.



Environment Commitment

Ensuring to maintain a non-hazardous and clean environment while conducting operations

Read more
PG 64 →

Social Commitment

Doing the right thing in the right manner for our people and the society we operate in

Read more
PG 66 →

Governance Commitment

Adhering to mandate of the policies, we ensure that our operations are conducted with the highest level of integrity and accountability

Read more
PG 72 →

ESG Values

- Trust
- Service spirit
- People focus

Values Shared with

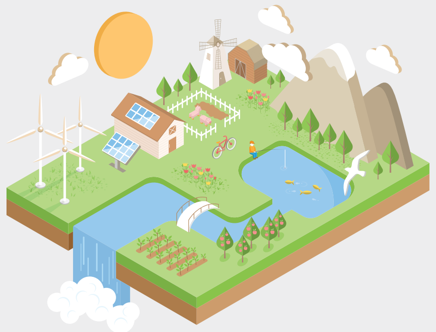
- Employees
- Customers
- Community
- Shareholders and Investors

Environment

Greening our Footprint

A business that embraces sustainable practices is not only resilient but also poised for long-term success. At our company, we prioritize the promotion of sustainability in all aspects of our operations.

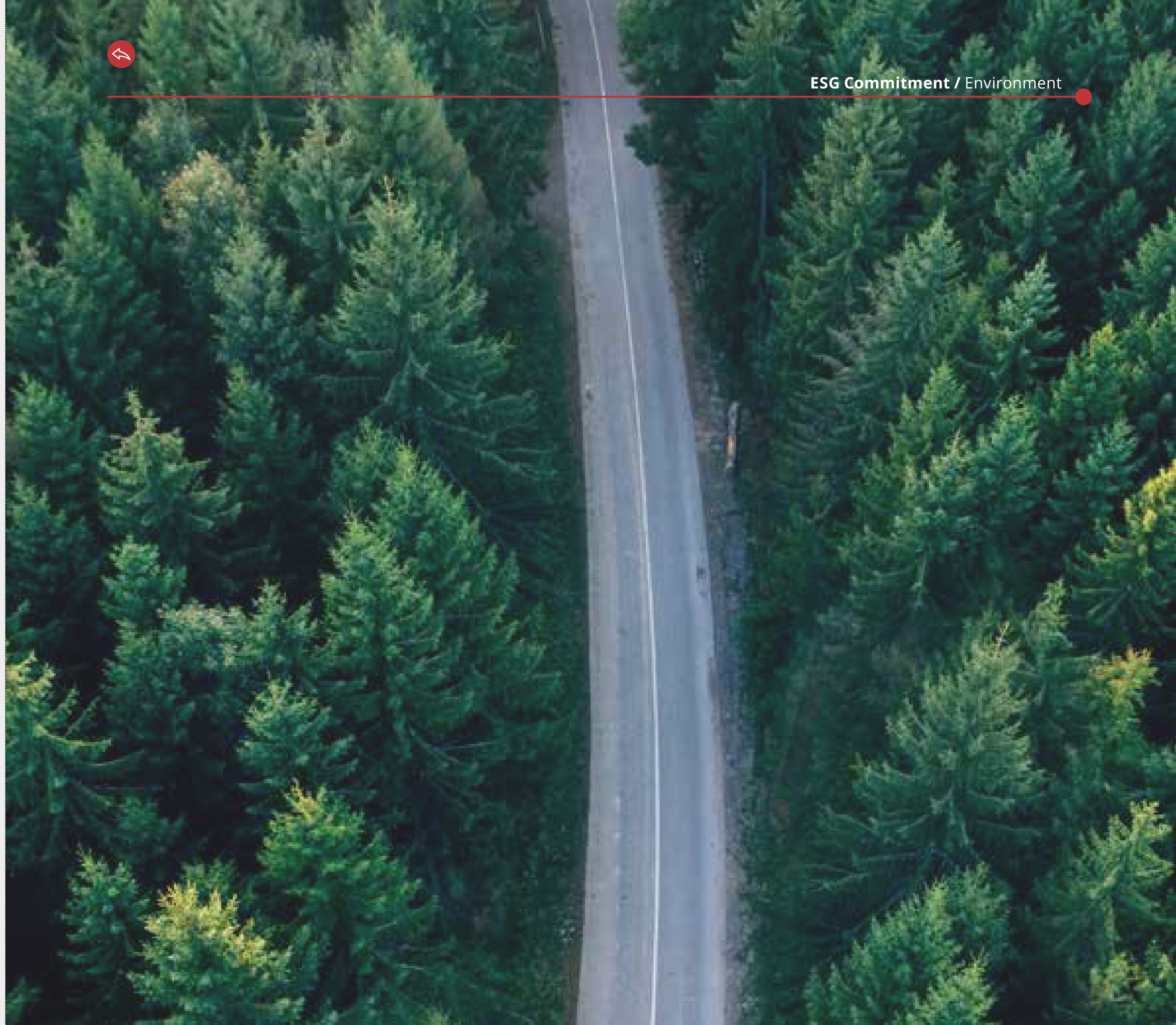
We are actively engaged in initiatives aimed at minimizing emissions, enhancing waste management, eliminating the use of toxic chemicals, and optimizing the responsible utilization of land and water resources. Through these efforts, we strive to reduce our environmental footprint and create a positive impact on the planet.



Impactful Initiatives

- Along with the regular monitoring of the chemical usage in our Facility Management and Pest Control businesses, we continue to promote the usage of bio-friendly chemicals to contain the environmental impact
- We ensure that our vehicles conform to the latest BS-VI standards to minimize our vehicular emissions
- We commenced an environmental audit to identify improvement areas for energy and water consumption
- By utilizing local raw materials, we engage with local vendors in the areas where we operate

Over the next few years, we aim to strengthen our ESG strategy to ensure long-term value creation for our fraternity of stakeholders.



Driving Environmental Responsibility in our Cash Business

As part of our Cash Logistics business, we deployed Cash Vans (CVs) for our daily operations. Owing to the high-risk nature of cash logistics, we strictly adhere to statutory and legal guidelines.

At SIS Prosegur, we undertook several initiatives to minimize our environmental footprint such as:

- Inducting CNG-based CVs for operations in our Cash business
- Aligning our fleet to the latest BS-VI standards and rapidly converting our existing fleet to conform to these standards
- Working towards deploying Electric Cash Vehicles (ECVs) as and when the regulations permit
- Conducting regular driver training to ensure the fuel efficiency of the CVs, and keeping emissions under control
- Fixing a Kilometre Per Litre (KPL) fuel target for each CV, depending on its age, condition, and terrain where the CV is being driven, with parameters being regularly reviewed through an in-house app. It forms the ground for implementing incentives and penalties
- Organizing regular certified pollution checks and servicing for our CVs
- Procuring spare parts for the CVs from authorized sources and old CVs being properly dismantled and disposed of through government-authorized scrappers

3,111

Cash Vans deployed for day-to-day operations in FY23

Social - People

Nurturing our Greatest Asset

We recognize that our people are our greatest asset and form the base of our organization. We are committed to investing in their growth and well-being as a healthy, engaged, and motivated workforce is crucial to achieving our business goals and enhancing productivity.

We designed a comprehensive set of initiatives to support our employees' physical, mental, and emotional health, foster their professional development, and provide opportunities to give back to the community. We explore our efforts to impact our people socially by creating a workplace culture that promotes excellence, collaboration, and innovation.

Promoting Diversity and Inclusion

At SIS, we believe long-term talent decisions lead to a dynamic workforce, and we are proud to be an equal opportunity employer, striving to foster diversity and employ more women in the workforce. To enhance gender diversity, we rolled out several programs and initiatives.

We extend opportunities for people with disabilities at our branches, regional and corporate offices, where desk jobs are available, which do not require extensive traveling or frequent relocations. We undertook developments to make our workplace ergonomic by designing the seating arrangements and ensuring easy access to offices, facilities, and other desired systems.

32,297
Women employees in FY23

16,661
Women employees in FY18

83
Employees with disabilities in FY23

17
Employees with disabilities in FY18

Training and Development

Our people are our primary asset, and we invest judiciously to upskill them in line with the latest industry developments. Therefore, Learning and Development remain a critical business support function for the SIS Group.

With 29 Training Centers spread across India, we operate the largest training infrastructure in the country for recruiting and training newcomers from some of the most remote parts of the country by imparting skills, generating employment, and developing competence for higher achievements.

Our Recruitment and Training programs help us in maintaining a pool of trained staff and provide our growth engine with the much-needed fuel of competent resources. Through our training champs network, we provide a seamless learning experience leveraging tools such as Training Vans, M-Trainer Tabs, Mobile App, etc.

We are utilizing digital platforms like M-Trainer and SIS Academy (through learning partners like LinkedIn) to provide a range of choices - from the classroom to in-person cohorts to self-learning methods.

Our Learning interventions are interspersed into every level of our employees' life cycle, providing developmental and transformational paths to build a robust learning-driven organization as we progress toward our Vision 2025.

Social - People

Training Programs for Self-Development and Career Progression

Mr SIS - To help create cultural readiness to achieve Vision 2025, reinforcing our core values, with a focus on result orientation, the core target group for this program were the branch heads, who are the mini-CEOs of their businesses. In FY23, we cascaded this culture session to the levels below BHs. 26 batches were conducted and many employees were covered.

700
Employees covered in FY23

LEAP - An annual role-transition program for advancement to the coveted role of branch head within the P&L leadership role at SIS Group. The LEAP program is well curated having a competitive selection and graduation process.

11
People graduated from the program in FY23

Tech Udaan - A development program for Technical Supervisors to upgrade their skills, keeping in line with the latest domain developments.

Emerge - Enabling early career transition to the role of an Operations Manager with 25 probable operations managers undergoing the training.

LEAP Plus - A competency training program for branch heads to evolve within their roles.

Management Development Programs - Customized interventions for a specific population of senior management and leadership level members in the organization that aims at creating talent trenches. The programs vary from instructor-led cohorts to institution based to paced self-learning with third-party training partners including KPMG, Stephen R Covey, Ken Blanchard International, and LinkedIn Learning.

In partnership with KPMG, impactful session were conducted:

- 5 sessions on Finance for Non-Finance with 108 participants attending the training
- 1 session on Customer-Based Business Strategy
- 1 session on The Winning Edge: Communication Strategies for Leaders at IIM-A
- 1 session on Strategy & Leadership in VUCA World
- 1 session on Organizational Excellence through Leadership at IIM-B

Self-Learning - For our employees in critical roles within the organization, LinkedIn licenses were rolled out as part of self-learning completion.

600
LinkedIn licenses were rolled out in FY23

Professional Development Programs - A series of open competency training programs for non-billing team members, these are based on the competence gaps identified from the PMP process. The programs include training on key competencies like – Communication, Decision Making, Time Management, Email Etiquette, etc.

36
Total sessions were conducted in FY23

756
Participants attended multiple training sessions

POSH Training - To ensure awareness and compliance, POSH training sessions are conducted every month. These sessions were conducted by the internal and external committee members.

10
Sessions conducted for POSH in FY23

680
Employees participated in the POSH training sessions.

Billing Employees

GTO - An annual one-month residential training program (cadre course) for the development of supervisors/ inspectors to the ASO rank (Unit Commander rank) at SIS Garhwa Training Center, with a batch size of 30 per year.

GTS - Annual one-week residential training program that aims to develop frontline staff to supervisor levels at our SIS Lucknow Training Center. It covers our 1 Lakh+ billing employees in Security for a nominated batch size of 30-50 annually.

Udaan - An annual one-week on-the-job training program for the development of billing employees to non-billing operations roles.

Arise - This annual two-month, on-the-job training program, helps develop billing employees - high potential guard/janitor to supervisor roles.

Non-billing Employees

Induction Training - A seven-day hand-holding program, that includes a mix of classroom and on-the-job training to familiarize recruits with the organization and their roles, among other parameters.

Functional Training - We hold online and offline functional training programs such as Man-Tech training for sales and P&L heads, labour reforms training for the accounts team, Circle of Safety online training sessions for the sales team, HRMS, and compliance training for the HR team, among others. These cover roughly all 4,500+ non-billing employees of the SIS Group based on the requirements.

Safety and Well-being

We are a people - driven business, and ensuring the health and safety of our employees is of paramount importance to us with all of our staff receiving thorough training on safety relating to their respective job.

Safe Environment - We provide a secure and best-in-class workspace for our employees.

Safety Protocols - We ensure access to all welfare facilities for our employees, as prescribed by the Central Government, along with training and counselling sessions for their emotional well-being.

Safety Committee - We formed an organizational safety committee to ensure the strict implementation of safety protocols at the workplace. Additionally, we regularly conduct audits to overcome operational gaps, if any.

Safety Training - We regularly conduct safety training sessions for our employees to avoid hazardous incidents, ensuring complete participation. We invest in continuously strengthening our training programs and reaching out to our employees through mobile training vans. Our safety course is also available on the mobile training app, the completion of which is mandatory for all employees. We also provide IOHS training to our employees.

Social - Community

Empowering Neighbourhoods

At SIS Limited, we recognize that as a responsible corporate citizen, we must give back to our neighbours and allow our colleagues to contribute to society in impactful ways. We have always been committed to fulfilling our social responsibilities and have taken significant strides to do so.

₹ 13.2 Crore

Total CSR Spend

Education

- Promote children's education from primary and secondary levels to university education
- Build schools, colleges, and training institutions that include provision for full-time residential institutions and facilitate 100% sponsorship to bright and underprivileged students
- Promote and sponsor girls' education at all levels
- Promote women's education and self-employment training

Skill Development

- Conduct vocational training in the areas of security, cleaning, gardening, plumbing, and electricals, among others
- Carry out Government programs under the skill development sector
- Conduct computer literacy training
- Build training schools and facilities to impart vocational skills
- Provision local community camps for skill development in various specialties

Sanitation and Drinking Water

- Implementing drinking water projects for the local communities
- Construct domestic bathrooms and sanitation for rural and urban households
- Construct community bathrooms and sanitation in urban and rural areas
- Undertake projects for women's sanitation
- Undertake various other water conservation and sanitation programs

Healthcare

- Conduct local community health check camps
- Build hospitals, clinics, diagnostic centers, and associated infrastructure
- Organize blood donation camps and other specific ailment camps
- Organize various other programs for better health and nutrition

Other Activities

- Promote the local artists, craftsmen and protect the traditional arts
- Promote sports like athletics, swimming, archery, shooting, etc.
- Protect our national heritage
- Conduct various programs for the benefit of armed forces veterans and their dependents
- Plant trees and protect indigenous flora and fauna

Governance

Upholding Robust Integrity in our Business Operations

At our organization, we prioritize the highest standards of corporate governance in all our operations. This means that we are committed to ethical conduct and accountability in our actions. Our governance framework is robust and enables us to create long-term value for all our stakeholders.

We have Independent Directors on our Board and various Board Committees that are responsible for upholding transparency, awareness, and equity in our operations. As a listed company, we comply with applicable provisions of the Listing Regulations and appoint Independent Directors and form committees to ensure proper corporate governance.

Our Board of Directors functions either as a full Board or through various committees that monitor specific operational areas. We continually focus on designing and improving the flow of activities in an effective manner that ensures economic prosperity and long-term value creation for our organization and stakeholders. Overall, we believe that prioritizing corporate governance is critical for creating a sustainable and successful organization that benefits all our stakeholders.

RAVINDRA KISHORE SINHA
Chairman and Director
C

UPENDRA KUMAR SINHA
Independent Director
C C C

RITURAJ KISHORE SINHA
Group Managing Director
M

RITA KISHORE SINHA
Non-executive Director

5
Independent Directors on the Board

93
Average attendance in Board

48 Months
Average tenure of Independent Directors

4
Committees headed by Independent Directors

- Ⓒ Chairman
- Ⓜ Member
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

UDAY SINGH
Independent Director
M

TIRUMALAI CUNNAVAKAUM ANANDANPILLAI RANGANATHAN
Independent Director
C M

RAJAN VERMA
Independent Director
M M

SUNIL SRIVASTAV
Independent Director
M M M M

ARVIND KUMAR PRASAD
Director – Finance
M

RIVOLI SINHA
Non-executive Director

Leadership Team

RITURAJ KISHORE SINHA
Group Managing Director

ARVIND PRASAD
Director-Finance, SIS India

DHIRAJ SINGH
CEO, SIS India

DEVESH DESAI
CFO, SIS Group

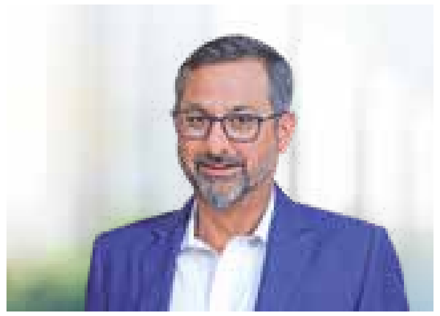
BRAJESH KUMAR
CFO, SIS India

TAPASH CHAUDHURI
CEO, Security Solutions

R S MURALI KRISHNA
President, SIS International

BHARAT BAKHSHI
President, M&A, IR and Ventures

GEOFF ALCOCK
Managing Director, MSS



SHAMSHER PURI
CEO, Facility Management

Corporate Information

BOARD OF DIRECTORS

Ravindra Kishore Sinha
Chairman

Rituraj Kishore Sinha
Group Managing Director

Arvind Kumar Prasad
Director-Finance

Uday Singh
Independent Director

Rita Kishore Sinha
Non-Executive Director

T C A Ranganathan
Independent Director

Sunil Srivastav
Independent Director

Rajan Verma
Independent Director

Upendra Kumar Sinha
Independent Director

Rivoli Sinha
Non-Executive Director

COMPANY SECRETARY

Ms. Pushpalatha Katkuri

BANKERS

State Bank of India
HDFC Bank Limited
Standard Chartered Bank
CTBC Bank Co. Limited
Axis Bank Limited
Yes Bank Limited
ICICI Bank Limited

GROUP MANAGEMENT

Rituraj Kishore Sinha
Group Managing Director

Arvind Prasad
Director Finance, SIS India

Dhiraj Singh
CEO, SIS India

Devesh Desai
CFO, SIS Group

Brajesh Kumar
CFO, SIS India

Tapash Chaudhuri
CEO, Security Solutions - SIS India

R S Murali Krishna
President, SIS International

Bharat Bakhshi
President, M&A, IR and Ventures

Geoff Alcock
Managing Director, MSS

Shamsher Puri
CEO, Facility Management

AUDITORS

SS Kothari Mehta & Co.
Chartered Accountants

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

Corporate Office
A-28 & 29, Okhla Industrial Area, Phase-1,
New Delhi – 110 020

Corporate Identity Number
L75230BR1985PLC002083

Website
www.sisindia.com

Board's Report

Dear Members,

Your directors are pleased to present the 39th Annual Report on the business and operations of SIS Limited **("the Company")** together with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2023.

Financial Highlights

The financial performance of the Company for the year ended March 31, 2023 is summarized below:

Amounts in ₹ Million except share data

	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Net Revenue	39,849	33,178	113,458	100,591
Revenue Growth %	20.1	10.4	12.8	10.2
Earnings before financial charges, depreciation and amortization, and taxes (EBITDA)	1,870	1,461	4,916	4,985
Depreciation and Amortization	543	379	1,347	1,116
Financial charges	670	561	1,149	984
Others (Other income and effect of business combination)	692	634	327	527
Share of Profit / (Loss from Associates)	-	-	102	26
Reported Earnings/Profit Before Tax (PBT)	1,349	1,155	2,849	3,439
Tax Expenses	(552)	(183)	(616)	179
Add / (Less): Exceptional Items	-	-	-	-
Reported Net Earnings/PAT	1,901	1,339	3,465	3,259

On a standalone basis, the Company's revenues, at ₹ 39,849 Million during the year under review, increased by 20%, EBITDA at ₹ 1,870 Million increased by 28% and, profit after tax at ₹ 1,901 Million increased by 42%, as compared to the previous year.

On a consolidated basis, during the year under review, the Group's revenues at ₹ 1,13,458 Million increased by 13%, EBITDA at ₹ 4,916 Million decreased by 1% and, profit after tax at ₹ 3,465 Million increased by 6%, as compared to the previous year.

During the year, there has been no change in the nature of the business of your Company.

Significant Developments

Acquisition of remaining shareholding of Terminix SIS India Private Limited

During the year under review, the Company acquired the entire remaining shareholding of 49.99% in Terminix SIS India Private Limited ("Terminix"), a subsidiary of the Company, for an aggregate consideration of ₹ 7.77 Million. As a result, Terminix became a wholly owned subsidiary of the Company.

Acquisition of shareholding of Safety Direct Solutions Pty Limited

During the year under review, the Company, through its wholly owned subsidiary, acquired 85% of outstanding equity shares of Safety Direct Solutions Pty Ltd for an aggregate consideration of ₹ 270.50 Million.

Acquisition of remaining shareholding of SLV Security Services Private Limited

During the year under review, the Company acquired the remaining shareholding of SLV Security Services Private Limited ("SLV") and the Company now holds 100% of the capital of SLV.

Buyback of Equity Shares

The Company successfully completed its second consecutive buyback, amounting to ₹ 800 Million comprising of 14,54,545 equity shares of face value of ₹ 5/- each, at a price of ₹ 550 per share through the tender offer route. The buyback offer size represented 0.99% of the total paid-up equity share capital of the Company as of March 31, 2022. The total outflow of funds including taxes was ₹ 997 Million. The Buyback was undertaken to optimise returns to shareholders and enhance overall shareholders' value.

During the buyback acceptance period, the eligible shareholders submitted valid bids, resulting in a subscription of 7.83 times the maximum number of shares proposed to be bought back. The settlement of bids and the payment of the buyback consideration was made on October 28, 2022, and the shares were extinguished on November 2, 2022.

Operations and Business Performance

The standalone business, which includes manned guarding and electronic security solutions, achieved a healthy growth of 20.1% in revenue in FY23 despite multiple economic fluctuations. The business reported an EBITDA ₹ 1,870 Million at a Margin of 4.7% for FY23 up from ₹ 1,461 Million at 4.4% EBITDA Margins % for FY22, an improvement of 0.3% in EBITDA Margin %.

Despite a challenging business environment, FY23 has been a landmark year as the annual revenue crossed ₹ 113,400 Million+. All the business segments have reported healthy revenue growth of 12.8% during the year with an EBITDA margin of 4.3%. The Facility Management segment was ahead of the pack with 36.2% revenue growth. Security Solution India achieved a revenue growth of 19.9% followed by Security Solution International (0.7%) and Cash Logistics (38.3%).

Security services – India

The Group provides security services in India through its subsidiaries, SLV Security Services Pvt Ltd., Uniq Security Solutions Pvt Ltd, Tech SIS Ltd and SIS Alarm Monitoring and Response Services Pvt Ltd.

SIS continues to be the largest security service company in India. The superior service provided to its clients has reinforced this leadership position.

The Security services – India segment recorded its highest ever annual revenue at ₹ 46,261 Million, a growth of 19.9% over FY22 revenue primarily due to several significant wins in segments viz., financial, manufacturing, transportation, education, retail, healthcare, oil & gas, and IT.

The strong revenue growth in the segment is a result of minimum wage revision across states like Sikkim (~67.0% increase), Karnataka (23.0% increase), Bihar and Punjab (15%-17% increase) and central minimum wage hike as well, in addition to new order wins. New order wins and minimum wage hike had a positive impact on both our revenue & EBITDA and improved employee retention and manpower availability. As a result, FY23 EBITDA margins have increased from 4.3% at ₹ 1,657 Million in FY22 to 4.6% at ₹ 2,119 Million in FY23.

FY23 saw an overall improvement in India business margins as business growth normalized with the economy bouncing back post pandemic. This year's results illustrate the predictability of our business model, as an essential service business, which continues to grow at a healthy rate.

The post COVID period witnessed record organic growth in the Security Solutions – India business indicating the strength of the SIS sales engine which continues to leverage and capitalize on the growth of the economy in India.

The number of employees employed by the Group in India as on March 31, 2023 was 1,81,381. Significant operational improvements were achieved by leveraging technology-based solutions and it has contributed to the growth in productivity for FY23.

We continue to focus and invest in our capabilities in electronic security services in which we operate two businesses.

1. **ManTech:** Our electronic security business recorded a revenue of ₹ 422 Million for FY23. We continue to sell and provide technology-based security solutions to our customers to complement manpower deployment and providing customized solutions.

   Our electronic security business segment has won significant orders from leading PSUs and private banks have been encouraging an increase in our solution sales revenue. In the evolving security landscape especially, customers have been demanding MANTECH solutions wherein security guards are coupled with and supported by technological solutions to provide a superior and more efficient outcome for the clients.

   Some of the noticeable solutions this year, includes, one of the single largest AI projects in the country at 80 Locations for large PSU in the Oil sector and Surveillance & Command Control for a large PSU in the Gas sector.

2. **Alarm Monitoring and Response:** We provide customized AI-enabled intrusion detection and response services to individual homes, small business establishment, retail chains, bank branches, ATMs, Offices, and commercial establishments and operate this business under the VProtect brand. During FY23, we continued to aggressively expand our presence in the B2B space and won contracts in the BFSI segment and also successfully implemented customized solutions for large logistics customers.

   We have clearly established our capability of providing monitoring and response services to customer locations and sites pan-India and the number of sites secured by us, stand to reach over 8,000 sites and over 14,000 connections as of March 2023. We are confident of strengthening our presence further in this space with the BFSI and Logistics sector constantly looking at innovative solutions to help their security needs.

Security services – International

The Group provides security services internationally through its subsidiaries in Australia, Singapore, and New Zealand. In Australia, we operate through MSS Security Pty Ltd and Southern Cross Protection Pty Ltd, in New Zealand through Platform4Group Limited ("P4G") and in Singapore through Henderson Group. We also completed the acquisition of Safety Direct Solutions Pty Ltd. during the year. The Security services – International segment business has recorded its highest ever annual revenue at ₹ 48,759 Million.

Our International Security solutions business continued to demonstrate strong growth and maintained its No. 1 position in the Australian market. Labour shortages across

Board's Report (Contd.)

international geographies continued to have an impact on the costs. We continue to hold a leadership position in pure play security & safety services in the APAC region focusing on regulated markets and generating consistent profitable growth.

The segment continues to demonstrate strong growth. For FY23 the International segment recorded a significant number of new order wins. We acquired key contracts in the segments viz., retail, logistics and real estate.

On a consolidated basis, the Security services – International segment, recorded revenues of AUD 887 Million during FY23 against AUD 883 Million in FY22.

We continue to be No.1 in Australia with over 21% market share. High margin special contracts have now completely wound down and the segments which were most impacted by the pandemic viz., Aviation, Universities & Special events started ramping up and rapidly returning to pre covid levels.

In New Zealand, P4G continued to build on its market position and client base and enhanced its market share and service portfolio.

The FY23 EBITDA for the segment was AUD 36 Million (4.1% of revenues) against AUD 49 Million (5.6% of revenues) for FY22 due to the winding down of special COVID related contracts and labour shortage.

Facility Management

The Group's facility management business comprises:

i. Service Master Clean Limited, Dusters Total Solutions Services Private Limited and Rare Hospitality & Services Private Limited in the business of housekeeping and cleaning services.

ii. Terminix SIS India Private Limited ("Terminix SIS"), in the pest control business; and

iii. Adis Enterprises Private Limited, specializing in Operations & Maintenance in the Pharmaceutical vertical.

The Facility Management business is the fastest growing vertical in the group's portfolio and is currently the No. 1 facility management provider in India. The business recorded its highest ever annual revenues at ₹ 18,998 Million in FY23, up from ₹ 13,947 Million in FY22, a robust growth of 36.2%. The revenue growth is largely driven by key business segments like Healthcare, Manufacturing, IT and Transportation segments.

The One SIS programme, which aims to provide integrated solutions comprising security services, facility management, pest control and other allied services to the clients, under a common contractual arrangement is spearheaded primarily by the FM business. During FY23, we achieved a revenue of ₹ 163 Million from One SIS program.

Our Pest control business Terminix SIS forayed into paid audits and launched the Audit X app which was well received. We introduced powerful engineering solutions AUNOA (Automation and Guaranteed energy savings) and CAMFIL (Smart Air Filtration with sustainability for better ROI).

We see an increasing trend of large customers looking to consolidate their service providers to achieve cost savings and be more compliant, which is favorable for organized players like SIS and our integrated business service solutions offering One SIS. The use of technology in service delivery is increasing with increasing interest from customers in more mechanized and advanced facility management solutions.

The consolidated EBITDA of the facility management segment grew by 28.7% from ₹ 636 Million in FY22 to ₹ 818 Million in FY23. Focused execution of margin improvement initiatives primarily contributed to the improvement in Q4 FY23 margins.

Cash Logistics (a joint venture with Prosegur)

The cash logistics business is a joint venture with Prosegur, a global leader in cash solutions. Services offered by the Company under this segment are Safe keeping and vault-related solutions, ATM related solutions, Cash-in-transit, Doorstep banking, Cash pick-up and delivery, bullion management and customized cash processing and deposit solutions.

FY23 has been a record year with robust growth for the Cash logistics business. India's high GDP growth rate and cash in circulation, at an all-time high (growing at a 2016-2023 CAGR of 12.5%) are the key drivers for growth of the cash logistics industry.

The business has transformed into a Bank Outsourcing and Support Solutions provider and not merely a provider of cash logistics solutions. Moving beyond the ATM business to focus on services like currency chest management, cash processing etc. will enable the business to become a formidable industry participant.

While quarterly revenue run rate has almost doubled in the last three years, EBITDA has quadrupled, with Q4 FY23 EBITDA at ₹ 243 Million, a 6.5% growth over the same quarter previous year and 11.6% increase over the previous quarter, illustrating the quality of revenue growth and execution excellence with international best practices. FY23 revenue was at ₹ 5,430 Million, a growth of 38.3% over FY22 and FY23 EBITDA was ₹ 857 Million, a growth of 60.9% over FY22.

We reduced exposure to the ATM business and continue to focus on the non-ATM business, which includes retail banking and cash-in-transit business. We now operate 3,000 cash vans, service 10,000 ATMs and provide doorstep banking services across 22,000 pickup points and operate 60+ vaults and strong rooms across the country. The business focused on solution selling and sales in new segments which now contribute ~4% of overall revenue with ~26% of currency chests outsourcing to us.

We were the 1st player prepared for phase 1-cassette swap in 2023, 3 months ahead of the industry. By the end of FY23, almost 60%+ of ATMs serviced by us were functional on Cassette swap operations. We continue to focus on new solutions to reduce dependence on traditional products and services.

The global cash logistics market is expected to reach $ 26.8 billion in 2027 at a CAGR of 6.9% from $ 20.5 billion on the back of rise in deployment of ATMs.

Outlook

Despite the global slowdown, India's economic growth rate is the highest globally and reflects relatively robust domestic consumption and lesser dependence on global demand.

Improving labour market conditions and consumer confidence is likely to drive private consumption. The central government's commitment to significantly increase capital expenditure in FY24, despite targeting a lower fiscal deficit of 5.9% of GDP, will also spur demand. Helped by recovery in tourism and other contact services, the services sector will grow strongly in FY23 and FY24 as the impact of COVID-19 wanes. However, manufacturing growth in FY23 is expected to be tamped down by a weak global demand, but it will likely improve in FY24, However, geopolitical tensions and weather-related shocks are key risks to India's economic outlook.

Overall economic growth of the country directly fuels demand for Security, Facility Management ('FM'), and Cash logistics services. Along with a low economic base in FY21-22, the growth moderation for India in FY23 is premised on an ongoing global economic slowdown, tight monetary conditions, and elevated oil prices. According to Asian Development Bank (ADB), India's gross domestic product (GDP) expected to grow at 6.4% in FY23, however, FY24 is expected to see a faster growth in GDP at 6.7% owing to high investment in the country, supportive government policies and sound macroeconomic fundamentals. Despite the global slowdown, India's economic growth rate is stronger than in many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand.

India is expected to be the fastest growing economy globally with GDP growth at 6.1% for 2023 and 6.8% for 2024. Economic growth boosts demand for security services leading to volume growth for SIS. The security services industry's formalization augments market share for organized players like SIS. This combined with the growth in Infra (rapid urbanization, smart city projects) and manufacturing sectors to enhance demand for security solutions and allied services indicates a long-term robust growth potential for the sector.

Similarly, in the FM vertical, significant growth in the real estate sector on account of shifting preferences towards a safe, clean, and secure environment represents one of the primary factors bolstering the market growth in India. IMARC Group has forecasted that the FM vertical will grow at a CAGR of ~12.6% during 2023-2028.

With the booming information technology (IT) sector and the growing popularity of e-commerce platforms, the overall need for infrastructure and organized spaces is increasing, which is also influencing the FM services market positively. Furthermore, post-pandemic there has been an increasing emphasis on hybrid workspaces and return-to-the-workplace strategies are anticipated to augment the demand for FM services to maintain safety, health, and productivity.

The security solutions industry is evolving. Given that minimum wage increases twice a year, human resource costs are increasing Pan-India. This coupled with rapid urbanization, smart city projects and large infrastructure developments are increasingly adopting e-security solutions driving the growth of the electronic security market. This positions the Company in a favorable position to be able to cater to customer requirements with integrated man-tech security solutions.

The Company continues to focus on delivering robust organic growth and it is expected that inorganic growth will provide additional growth enhancement. We are open to acquisition opportunities with niche capabilities / customer segments which can further augment our service offerings or presence in specific service segments especially in the India businesses. Continued investments in technology for improving internal processes and systems and driving synergies across business divisions / entities will enable us to achieve cost savings and superior profitability.

Material changes & commitments, if any, affecting the financial position of the Company from the end of the financial year till the date of the report.

No material changes or commitments that could affect the financial position of the Company have occurred between the end of the financial year and the date of this report.

Other significant matters since the end of the financial year

No significant transactions have taken place after the closure of the financial year and until the date of this report.

Dividend and Dividend Distribution Policy

The Board of the Company does not recommend any dividend for the financial year ended March 31, 2023 on the Equity Shares of the Company.

Board's Report (Contd.)

As per the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), your Company has formulated a Dividend Distribution Policy. This Policy is available on the Company's website at https://sisindia.com/policies-and-code-of-conduct/.

Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

In compliance with the provisions of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company is not obligated to transfer any unpaid or unclaimed dividend amounts or shares, for which the dividend has not been claimed or paid for a continuous period of seven years or more to the IEPF.

Transfer to reserves

The Company does not propose to transfer any amount to the general reserve for the year ended March 31, 2023.

Credit Rating

Nature of Instrument	Name of Credit Rating Agency	Credit Rating Assigned
Non-Convertible Debentures	CRISIL Ratings Limited	CRISIL AA- (Stable)

Note: During the year under review, your Company redeemed the entire outstanding 1,900, 7.90% Secured, Redeemable, Rated, Listed Non-Convertible Debentures of face value of ₹ 10,00,000 each amounting to ₹ 1,900 Million on March 29, 2023.

Share Capital

As of March 31, 2023, the authorised capital of the Company stands at ₹ 1,350.00 Million divided into 27,00,00,000 equity shares of ₹ 5 each. The paid-up equity share capital of the Company is ₹ 728.65 Million, consisting of 14,57,29,441 equity shares of ₹ 5 each.

Subsequently, in November 2022, the Company extinguished 14,54,545 equity shares of ₹ 5 each following a buyback from all eligible shareholders. Additionally, during the year under review, the Company issued and allotted 1,52,936 equity shares of ₹ 5 each pursuant to the exercise of stock options under the Employee Stock Option Plan.

Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise, nor have any sweat equity shares been issued during the year under review.

Particulars of Loans, Guarantees and Investments

Pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures relating to Loans, Guarantees and Investments as of March 31, 2023, are provided in Note 18 to the Standalone Financial Statements.

Deposits

During the year under review, your Company has not accepted or renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Consequently, no amount of principal or interest was outstanding as of the date of the Balance Sheet.

Non-Convertible Debentures

During the year under review, your Company redeemed the entire outstanding 1,900, 7.90% Secured, Redeemable, Rated, Listed Non-Convertible Debentures of face value of ₹ 10,00,000 each amounting to ₹ 1,900 Million on March 29, 2023.

Corporate Governance

The Company's business and operations are managed by a professional team of managers led by the Managing Director, under the supervision and control of the Board of Directors. The Company maintain and adhere to the highest standards of Corporate Governance as stipulated by the Securities and Exchange Board of India (SEBI) and the Act.

A comprehensive report on Corporate Governance, as required under Regulation 34 of the SEBI Listing Regulations, forms part of this Annual Report. A certificate issued by Mr. Sudhir V Hulyalkar, Practicing Company Secretary, on compliance with the conditions of Corporate Governance is annexed to the Corporate Governance Report.

Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Company has a Corporate Social Responsibility ('CSR') Committee, chaired by Mr. Ravindra Kishore Sinha. Other members of the Committee include Mr. Arvind Kumar Prasad and Mr. Uday Singh. The CSR Policy is available on the Company's website at https://sisindia.com/policies-and-code-of-conduct/.

The SIS Group, comprising SIS Limited and its subsidiaries, associates, and joint ventures ("SIS Group"), has been at the forefront of bringing social change in the lives of thousands of people in India. It employs more than 2,83,322 people, of which a large majority come from the less privileged sections of society with limited means for education, development, and livelihood. The SIS Group has played a vital role in improving the lives of these people through training, development and employment opportunities.

Our Board of Directors, Management and Employees are committed to the philosophy of compassionate care. We firmly believe that businesses must give back to society, the environment and the communities in which they operate. CSR has been an integral part of the way the SIS Group conducts its business since its inception. The SIS Group established the SEWA trust for the betterment of the lives of the employees and has engaged in various community activities that have positively impacted thousands of people over the years. The Company has actively participated in and encouraged skills-based training for individuals from underprivileged and less developed communities across the country.

The CSR Policy is based on the vision and principles of the SIS Group. The main objective of this CSR Policy is to lay down guidelines to make CSR a key business process for sustainable and beneficial engagement with the society and the environment in which the Group operates. It aims at enhancing welfare measures of society based on the immediate and long term social and environmental consequences of the SIS Group's activities. This Policy specifies the projects and programmes that can be undertaken, directly or indirectly, the execution modalities and the monitoring thereof. The scope of the Policy has been kept as wide as possible, so as to allow the SIS Group to respond to changing and immediate societal needs while focusing on specific activities that bring long term benefit to society.

One of the internal objectives of the CSR Policy is to encourage active participation from employees at all the locations. Employees are encouraged to volunteer their time and effort in respect of SIS Group sponsored programmes or on their own initiatives. The Company recognises and appreciates contributions of the employees to CSR activities. A widespread awareness of the CSR initiatives of the SIS Group will be conducted and the SIS Group seeks an active and wide participation from employees and encourages any suggestions and project ideas from them.

A detailed disclosure on CSR initiatives undertaken by the Company during the year is annexed herewith as **Annexure I**.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company is committed to promoting a work environment that ensures every employee is treated with dignity, respect and provided equitable treatment regardless of gender, race, social class, disability, or economic status. We priortise providing a safe and conducive work environment for our employees and associates. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder, the Company adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace. During the year under review, 5 complaints were received and resolved. Your Company constituted an Internal Complaints Committee to enquire into complaints received, and to recommend appropriate action, as per the requirements of the said Act.

Nomination and Remuneration policy

Directors and their Appointment

In compliance with the provisions of the Act and SEBI Listing Regulations, the Nomination and Remuneration Committee of the Board approved the criteria for determining the qualifications, positive attributes, and independence of Directors, including Independent Directors. This policy, inter alia, requires that Non-Executive Directors, including Independent Directors, be drawn from amongst eminent professionals with expertise in business, finance, law, public administration and enterprises. It endeavors to create a broad basing in the composition of the Board to make available the right balance of skills, experience, and diversity of perspectives appropriate to the Company.

The Articles of Association of the Company provide that the strength of the Board shall not be fewer than three nor more than fifteen. Directors are generally appointed or re-appointed for a period of three to five years or a shorter duration, as determined by the Board, with the approval of the members.

The Policy relating to remuneration of Directors, Key Managerial Personnel, Senior Management, and other employees is available on the Company's website at https://sisindia.com/policies-and-code-of-conduct/.

Business Responsibility & Sustainability Report

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, a separate section on Business Responsibility & Sustainability Report, describing the initiatives taken by the Company from environmental, social and governance perspective, forms an integral part of this Report.

Sustainability for your Company is about being responsible to the multiple stakeholders and creating shared value for each of them in a way that reinforces and amplifies our commitment. Our approach aligns with the ESG framework, which emphasizes creating economic value in an ecologically sustainable, socially responsible and governance-driven manner. We extend our considerations beyond economic and financial aspects and address our broader role in society and the communities we engage with. Consistent efforts have been made to minimise environmental footprint, reduce emissions and pollution, and optimise land and water usage.

Related party transactions

During the year under review, all contracts/arrangements entered into by your Company with related parties were conducted on an arm's length basis and in the ordinary course of business. No material Related Party Transactions entered

Board's Report (Contd.)

by the Company during the year that required shareholders' approval under Regulation 23 of the SEBI Listing Regulations.

As per the requirements of the Act and SEBI Listing Regulations, all related party transactions have been approved by the Audit Committee, which reviewed them on a quarterly basis. Your Company formulated a Policy on Related Party Transactions, which is available on the Company's website at https://sisindia.com/policies-and-code-of-conduct/.

Since all the contracts/arrangements/transactions with related parties, during the year under review, were at arm's length and not material, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Companies (Accounts of Companies) Rules, 2014, is not applicable to the Company for the financial year 2022-23 and hence does not form part of this Report. The details of contracts and arrangements with related parties for the financial year ended March 31, 2023, are provided in the Notes to the Standalone Financial Statements, which form part of this Annual Report.

Risk Management

The Board of Directors has approved the risk management policy and the main objectives of the policy are (a) identifying, assessing, quantifying, mitigating, minimizing and managing key risks; (b) Establishing a framework for the Company's risk management process and ensuring its implementation; (c) Developing risk policies and strategies for timely evaluation, reporting and monitoring of key business risks; and (d) Ensuring business growth with financial stability.

The Board of Directors has formed a Risk Management Committee to oversee the risk management plan.

As on March 31, 2023, the Committee comprises of the following directors:

1. Mr. Upendra Kumar Sinha, Independent Director,
2. Mr. Sunil Srivastav, Independent Director, and
3. Mr. Rajan Verma, Independent Director.

Mr. Upendra Kumar Sinha is the Chairman of the Committee. The Committee is responsible for monitoring and reviewing the strategic risk management plans to ensure their effectiveness.

The Company has a comprehensive risk management framework that is periodically reviewed by the Committee. Risk evaluation and management are an ongoing process within the organisation. The Committee periodically reviews identified risks and their mitigation plans. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

In the opinion of the Board, there are no risks that pose a threat to the existence of the Company.

Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section and forms an integral part of this Report.

Internal Financial Controls

Our rapid growth, while a matter of great satisfaction, continues to put pressure on our internal systems and processes. It is crucial that we work to ensure that these systems continue to keep up with our business growth and that our policies remain relevant in the ever-changing business landscape. Information systems are being continuously evaluated and revamped to provide timely and relevant information to various stakeholders equipping them with the necessary tools to compete in a challenging market and environment. We recognise the critical role of IT and information systems in today's world, and we have several dedicated groups of people constantly working to enhance and improve these systems to stay ahead of the rapidly changing environment.

The Company's system of continuous internal audits ensures that laid down processes and practices are followed and complied with and that quality processes are strictly adhered to. Financial discipline is emphasized at all levels of the business and adherence to quality systems and focus on customer satisfaction are critical for the Company to retain and attract customers and business and these are followed rigorously. At the same time, the Group is strengthening its core business systems to enhance robustness and achieve uniformity and consistency in practices and processes across the Group.

An Audit Committee comprising independent members of the Board has been constituted which plans and monitors the various Internal Audit programmes and reviews the reports and assesses action plans. The Director – Finance and the Chief Financial Officers are invitees to the meetings of the Committee.

The Internal Auditors, who function independently within the Group, review the adequacy and efficacy of the key internal controls. The annual audit plan, approved by the Audit Committee, guides the scope of audit activities. Additionally, we engage professional and reputable audit firms from time to time to conduct internal audits of the larger and more critical operations of the Group.

In addition to financial audits, quality management system procedures are continuously audited by internal and external auditors to ensure that the Company's business practices conform to the requirements of customers.

The Directors believe that the Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information. The Internal Audit team of the Company evaluates the effectiveness and quality of internal controls and reports on their adequacy through periodic reporting. During the year under review, these controls were tested and no reportable material weakness in the design or operation was identified.

Subsidiaries and Joint Venture Companies

As on March 31, 2023, the Company has 34 subsidiary companies and 4 joint venture companies. There has been no material changes in the nature of the business of the subsidiaries.

The following additions were made during the year:

- Effective, September 12, 2022, Safety Direct Solutions Pty Ltd and Safety Direct Solutions Pty Ltd. NZ became subsidiaries of the Company.

The Alarm Centre Limited and MSS AJG Pty Ltd ceased to be subsidiaries of the Company effective January 20, 2023 and March 5, 2023, respectively.

In accordance with the provisions of Section 129 (3) of the Act read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each subsidiary and joint venture company is provided in the prescribed 'Form AOC-1', in **Annexure II** to this Report.

In accordance with the provisions of Section 136 of the Act, the Annual Report of the Company, including the audited standalone and consolidated financial statements and related information of the Company are available on the Company's website, https://sisindia.com/annual-report/.

Further, the audited financial statements of subsidiary companies are also available on the website of the Company at https://sisindia.com/financials-subsidiary-companies/

Dusters Total Solutions Services Private Limited, a wholly owned subsidiary, is considered as a material subsidiary of the Company. Your Company has in accordance with the SEBI Listing Regulations adopted the Policy for determining material subsidiaries. The said Policy is available on the Company's website at https://sisindia.com/policies-and-code-of-conduct/.

The Audit Committee and the Board review the financial statements and significant transactions of all subsidiary companies. The minutes of unlisted subsidiary companies are placed before the Board for their review.

People and Training

We continuously strive to improve and develop tools and processes to recognize and reward employees at all levels within the Company. We highly value their contribution to the Company's performance and invest in their training and development programmes including leadership development initiatives. The Performance Management Process ("PMP") tool implemented across the Group enables us to scientifically measure and track employee performance at all levels. This approach helps us to recognize and reward performance, retain and attract talent, and establish a common platform for performance management throughout the Group. As of the end of the year under review, the total number of employees in the SIS Group exceeded 2,83,322.

Particulars of Employees

The information under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure III** to this Report.

A separate annexure containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is included in this report. However, the Annual Report is being sent to the Members excluding the said annexure. In terms of Section 136 of the Act, the annexure is available for inspection and any interested member can obtain a copy may write to the Company Secretary at shareholders@sisindia.com.

Employee Stock Option Plan (ESOP)

To reward employees for their contribution to your Company and to provide an incentive for their continuous contribution to the organization's success, the Company has instituted an employee stock option scheme, namely, ESOP 2016 on July 27, 2016. ESOP 2016 envisages the grant of such number of options (together with exercised options) enabling the eligible employee stock option holders the right to apply for equity shares of the Company.

During the year under review, the Company had granted a total of 35,700 options to employees of the Company under the Employee Stock Option Plan – 2016.

Disclosures with respect to stock options, as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the Regulations"), are available on the Company's website, https://sisindia.com/annual-report/.

Board's Report (Contd.)

Mr. Sudhir V Hulyalkar, Secretarial Auditor of the Company, has provided certification confirming that the implementation of Employee Stock Option Plan is in accordance with the Regulations and the resolutions approved by the members regarding the plan.

Directors and Key Managerial Personnel ("KMP")

a. Appointment/Re-appointment of Directors

- In accordance with the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Mr. Rituraj Kishore Sinha, Managing Director and Mr. Arvind Kumar Prasad, Director – Finance, are liable to retire by rotation at the ensuing Annual General Meeting ('AGM'). They are eligible for re-appointment and have offered themselves for re-appointment.
- Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders have appointed/re-appointed the following Directors:

  i. Mr. Rituraj Kishore Sinha (DIN: 00477256) has been re-appointed as the Managing Director of the Company, for a period of 5 years effective April 24, 2022.

  ii. Mr. Arvind Kumar Prasad (DIN: 02865273) has been re-appointed as a Whole-Time Director (designated as Director – Finance) of the Company, for a period of 5 years effective April 24, 2022.

  iii. Mr. Upendra Kumar Sinha (DIN: 00010336) has been appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 3 years effective June 29, 2022.

  iv. Mr. Uday Singh (DIN: 02858520) has been appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 years effective July 26, 2022.

  v. Mr. Sunil Srivastav (DIN: 00237561) has been re-appointed as an Independent Director of the Company, not liable to retire by rotation, for another period of 5 years effective October 24, 2022.

  vi. Ms. Rivoli Sinha (DIN: 05124090) has been appointed as a Non-Executive Director of the Company, effective November 2, 2022.

b. Cessation of Directors

- Mr. Amrendra Prasad Verma (DIN: 00236108), Mr. Devdas Apte (DIN: 03350583) and Mr. Rajan Krishnanath Medhekar (DIN:07940253), completed their second consecutive term as Independent Directors on September 24, 2022 and consequently ceased to be Directors of the Company with effect from the end of that day.
- Mrs. Renu Mattoo (DIN: 08050374) completed her second consecutive term as an Independent Director on January 28, 2023, and consequently ceased to be a Director of the Company with effect from the end of that day.

The Board expressed its sincere appreciation for the valuable guidance and contributions provided by Mr. Amrendra Prasad Verma, Mr. Devdas Apte, Mr. Rajan Krishnanath Medhekar and Mrs. Renu Mattoo during their tenure with the Company.

Declaration of Independence

Your Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. These declarations also affirm that there have been no changes in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors possess the requisite qualifications, experience and expertise including proficiency and they uphold the highest standards of integrity.

Committees of the Board

As on March 31, 2023, the Board constituted the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, and a Risk Management Committee. The composition of the Board and its committees is provided in detail in the Corporate Governance Report. In addition, the Board constitutes other committees to perform specific roles and responsibilities as may be specified by the Board from time to time.

Meetings of the Board

During the year under review, the Board of Directors met 7 (seven) times to deliberate on various matters. The meetings were held on April 19, 2022, May 4, 2022, June 29, 2022, July 26, 2022, November 2, 2022, February 2, 2023, and March 24, 2023.

Further details are provided in the Corporate Governance Report which forms an integral part of this Annual Report.

Board Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors adopted a formal mechanism for evaluating its performance as well as that of its committees and individual Directors, including the Chairperson of the Board. The evaluation was conducted using a structured questionnaire that covered various aspects of the functioning of the Board and its Committees.

The Board expressed satisfaction with the overall functioning of the Board and its Committees based on the evaluation results.

To familiarise Independent Directors with the Company, its stakeholders, leadership team, senior management, operations, policies and industry landscape, a familiarisation program is conducted. The program aims to provide insight and understanding of the Company's business. Independent Directors are informed about their roles, rights, and responsibilities through a formal letter of appointment at the time of their appointment or re-appointment.

Further details regarding the annual evaluation of the performance of the Board, its chairperson, its committees and of individual Directors are provided in the Corporate Governance Report which is an integral part of this Report.

Auditors and Audit Reports

SS Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) were appointed as Statutory Auditors of the Company for a term of 5 consecutive years in the 38th AGM held on August 30, 2022 to hold office till the conclusion of the 43rd AGM of the Company.

The Auditors' Report does not contain any qualification, reservation or adverse remark. The auditors have provided an unmodified opinion on both the standalone and consolidated financial statements of the Company.

The statutory auditors have confirmed that they meet the criteria of independence as per the Code of Ethics issued by the Institute of Chartered Accountants of India and the provisions of the Act.

Secretarial Audit

As per the provisions of Section 204 of the Act read with the rules framed thereunder, Mr. Sudhir V Hulyalkar, Company Secretary in Practice, has been appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2022-23, issued by Mr. Sudhir V Hulyalkar is provided in **Annexure IV-A** to this Report.

In the Secretarial Audit Report, it has been stated that the Company did not comply with the proviso to Regulation 17 (1) (a) of the SEBI Listing Regulations, as there is no independent woman director on the board of directors since the end of tenure of existing independent woman director on January 28, 2023.

In response to this, it is stated that, Mrs. Renu Mattoo completed her second term as an Independent Director on January 28, 2023, and ceased to be a Director of the Company on the same day. The Company is currently actively searching for eligible and suitable candidates to fill the position of independent woman director.

The Secretarial Auditor also reported non-compliance with Regulation 21(3C) of the SEBI Listing Regulations, as there was a one day delay between two consecutive meetings of the Risk Management Committee, exceeding the stipulated 180 day time frame.

In response to this, it is explained that the delay in holding the meeting of the Risk Management Committee by one day was due to intervening holidays and the unavailability of all committee members.

Further, the secretarial audit report of material subsidiary company, Dusters Total Solutions Services Private Limited issued by Mr. Jayarama Korikkar, Company Secretary in Practice, is provided in **Annexure IV-B** to this Report.

Compliance with the Secretarial Standards

During the year, your Company is in compliance with the mandatory Secretarial Standards specified by the Institute of Company Secretaries of India.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud committed against your Company by its officers and/or employees, which required the auditors to report to the Audit Committee and/or the Board under Section 143(12) of the Act.

Conservation of Energy, Research and Development, Technology Absorption

Considering the nature of activities of the Company, the provisions of Section 134(m) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Research and Development, Technology Absorption are not applicable to the Company.

Board's Report (Contd.)

Foreign Exchange Earnings and Outgo

The details of the foreign exchange earnings and expenditure are as follows:

₹ Million

Particulars	2022-23
Foreign exchange earnings	520.13
Foreign exchange expenditure	61.34

Annual Return

In terms of the provisions of Section 92 of the Act and the rules made thereunder, the annual return of the Company as on March 31, 2023, is available on the Company's website at https://sisindia.com/annual-report/.

Significant & material orders passed by the Regulators/Courts, if any

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in the future.

Your Company had neither filed any application, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 at the end of the year.

Vigil Mechanism / Whistle Blower Policy

Your Company has established a mechanism for reporting concerns through the Whistle Blower Policy of the Company in compliance with the provisions of Section 177 of the Act and the SEBI Listing Regulations. The Policy provides for a framework and process, for the employees and directors to report genuine concerns or grievances about illegal or unethical behavior, actual or suspected incidents of fraud, instances of leak of unpublished price sensitive information that could adversely impact the Company's operations, business performance and/or financial integrity of the Company. During the year under review, no person was denied access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of the Company at https://sisindia.com/policies-and-code-of-conduct/.

Directors' Responsibility Statement

In terms of the provisions of Section 134 (5) of the Act, the Board of Directors of your Company, to the best of their knowledge and ability, hereby confirms that:

- In the preparation of the accounts for the year ended March 31, 2023, the applicable Accounting Standards have been followed and there are no material departures from the same;
- Accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year;
- Proper and sufficient care for the maintenance of adequate accounting records have been taken in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Accounts have been prepared on a going concern basis;
- Internal financial controls have been laid down and followed by your Company and that such internal financial controls are adequate and operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Appreciation/Acknowledgement

Your directors express their gratitude to the Central Government, various State Governments as well as the Company's Bankers and advisors for their valuable advice, guidance, assistance, co-operation, and encouragement provided to the SIS Group on various occasions. The Directors also take this opportunity to thank the Company's customers, suppliers, vendors, and investors for their consistent support to the Company.

Last but not least, the Directors sincerely acknowledge and applaud the significant contributions made by all the employees of the Company for their dedication and commitment to your Company.

Cautionary Statement

Statements in this Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied.

For and on behalf of the Board of Directors

New Delhi
May 03, 2023

Ravindra Kishore Sinha
Chairman

ANNEXURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of the Company has been formalized based on the vision and principles of the SIS Group. The main objective of this CSR Policy is to lay down guidelines to make CSR a key business process for sustainable and beneficial engagement with the society and the environment in which the Group operates. It aims at enhancing welfare measures of the society based on the immediate and long-term social and environment consequences of the Group's activities. This Policy specifies the projects and programmes that can be undertaken, directly or indirectly, the modalities of execution and the monitoring thereof.

2. Composition of CSR Committee:

S. No.	Name of the Director & Designation	Position in committee	Number of meetings of CSR Committee during the year	
			Held	Attended
1.	Mr. Ravindra Kishore Sinha, Chairman	Chairperson	1	1
2.	Mr. Rajan Krishnanath Medhekar, Independent Director*	Member	1	1
3.	Mr. Uday Singh, Independent Director	Member	1	1
4.	Mr. Arvind Kumar Prasad, Director-Finance#	Member	Nil	N.A.

**Ceased to be the member of the Committee w.e.f. September 24, 2022.*

 # Appointed as the member of the Committee w.e.f. September 24, 2022.

3. The web-link of composition of the CSR committee, CSR Policy and CSR projects approved by the Board is: https://sisindia.com/corporate-social-responsibility-sustainability/

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable as the Company was not having average CSR obligation of more than ₹ 10 Crore during the three immediately preceding financial years.

5. (a) **Average net profit of the company as per section 135(5):** ₹ 977.86 Million.

(b) **2% of average net profit of the company as per section 135(5):** ₹ 19.56 Million.

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** ₹ 12.30 Million

(d) **Amount required to be set off for the financial year, if any:** ₹ 7.86 Million

(e) **Total CSR obligation for the financial year [(b)-(d)]:** ₹ 11.70 Million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implemen-tation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Regn. number
1.	Promoting Educational and related projects	(ii)	Yes	Haryana	Sonipat	20,00,000	No	Planet Skool	CSR00022782
				Maharashtra	Mumbai	10,00,000	No	Bharatiya Vidya Bhavan	CSR00009636
				Bihar	Patna	35,00,000	No	AWASAR Trust	CSR00019876
				Madhya Pradesh	Anuppur	10,00,000	No	Shri Narmade Har Sewa Nyas	CSR00033491
				Madhya Pradesh	Khandwa	6,00,000	No	Shri Rajrajeshwari Sewa Bharti Nyas	CSR00030912
				Madhya Pradesh	Agar Malwa	9,00,000	No	Agar Seva Bharti Samiti	CSR00021246
2.	Animal Welfare	(iv)	Yes	Madhya Pradesh	Ujjain	5,00,000	No	Sarp Anusandhan Sangathan	CSR00009582
3.	Health & Sanitation	(i)	Yes	West Bengal	Paschim Bardhaman	12,00,000	No	National Coalfield Citizens Forum	CSR00005688
4.	Protecting National Heritage & Culture	(v)	Yes	Madhya Pradesh	Ujjain	10,00,000	No	Aacharya Varahmihir Nyas	CSR00019682
	TOTAL					**1,17,00,000**			

Board's Report (Contd.)

(b) Amount spent in Administrative overheads. Nil

(c) Amount spent on Impact Assessment, if any. Not Applicable

(d) Total amount spent for the Financial Year [(a) + (b) +(c)] ₹ 11.70 Million

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ Million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11.70	Nil				

(f) Excess amount for set-off, if any:

(1) Sl. No.	(2) Particulars	(3) Amount (₹ Million)
i.	2% of average net profit of the company as per section 135(5)	19.56
ii.	Total amount spent for the Financial Year	11.70
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	12.30
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.44

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:** Nil

8. **Whether any capital asset has been created or acquired through CSR amount spent in the financial year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

Ravindra Kishore Sinha
Chairman – CSR Committee

Rituraj Kishore Sinha
Managing Director

ANNEXURE II

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF OUR SUBSIDIARIES AND JOINT VENTURES

(Pursuant to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

(₹ Million)

Sl. No.	Name of the Subsidiary	Note	Reporting Currency	Closing exchange rate	Financial period ended	Share Capital	Reserve and surplus	Total Assets	Total Liabilities	Invest-ments	Turnover^	Profit / (loss) before tax	Provision for tax	Profit / (loss) after tax	Proposed Dividend*	% of share-holding
1.	Service Master Clean Ltd		₹	NA	31-Mar-23	195.13	1,598.81	3,569.65	1,775.71	705.25	6,111.92	194.84	(135.37)	330.21	-	100.00
2.	Tech SIS Ltd		₹	NA	31-Mar-23	148.00	(140.01)	234.51	226.52	-	256.19	(28.19)	(8.50)	(19.69)	-	100.00
3.	Terminix SIS India Pvt Ltd		₹	NA	31-Mar-23	225.00	(158.22)	225.75	158.97	-	334.86	4.63	(0.65)	5.28	-	100.00
4.	Dusters Total Solutions Services Pvt Ltd		₹	NA	31-Mar-23	28.02	2,652.32	5,009.66	2,329.32	19.29	10,929.58	338.91	(211.98)	550.89	-	100.00
5.	SIS Business Support Services and Solutions Pvt Ltd		₹	NA	31-Mar-23	0.10	0.97	35.59	34.52	-	33.11	1.29	0.33	0.96	-	100.00
6.	SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Pvt Ltd)		₹	NA	31-Mar-23	0.10	0.05	0.19	0.04	-	0.03	-	(0.01)	0.01	-	100.00
7.	SLV Security Services Pvt Ltd		₹	NA	31-Mar-23	25.00	96.58	1,303.84	1,182.26	-	3,564.88	81.91	(72.27)	154.18	-	100.00
8.	Rare Hospitality and Services Pvt Ltd		₹	NA	31-Mar-23	11.69	133.85	689.45	543.91	0.03	1,556.12	8.48	(21.42)	29.90	-	100.00
9.	Uniq Security Solutions Pvt Ltd		₹	NA	31-Mar-23	18.00	772.27	1,121.04	330.77	4.42	2,189.02	111.05	(10.50)	121.55	-	100.00
10.	Uniq Detective and Security Services (AP) Pvt Ltd	(i)	₹	NA	31-Mar-23	0.10	6.23	19.65	13.32	-	55.21	2.53	(0.55)	3.08	-	100.00
11.	Uniq Detective and Security Services (Tamilnadu) Pvt Ltd	(i)	₹	NA	31-Mar-23	0.10	(2.21)	4.66	6.77	-	9.85	(1.00)	(0.26)	(0.74)	-	100.00
12.	Uniq Facility Services Pvt Ltd	(i)	₹	NA	31-Mar-23	1.00	12.94	45.25	31.31	-	107.21	5.79	(2.14)	7.93	-	100.00
13.	SIS Alarm Monitoring and Response Services Pvt Ltd		₹	NA	31-Mar-23	400.00	(401.87)	480.12	481.99	-	528.87	(25.70)	(6.45)	(19.25)	-	100.00
14.	Adis Enterprises Pvt Ltd	(ii)	₹	NA	31-Mar-23	0.10	11.30	21.29	9.89	-	42.90	2.40	0.76	1.64	-	100.00
15.	One SIS Solutions Pvt Ltd		₹	NA	31-Mar-23	10.10	(5.93)	67.43	63.26	-	163.28	(7.62)	(1.90)	(5.72)	-	100.00
16.	SIS Security International Holdings Pte. Ltd. (Formerly known as SIS International Holdings Ltd)		AUD	0.018	31-Mar-23	220.15	0.03	220.20	0.02	220.15	-	522.52	-	522.52	522.52	100.00
17.	SIS Security Asia Pacific Holdings Pte. Ltd. (Formerly known as SIS Asia Pacific Holdings Ltd)	(iii)	AUD	0.018	31-Mar-23	220.15	0.06	220.55	0.31	220.15	-	522.52	-	522.52	522.52	100.00
18.	SIS Australia Holdings Pty Ltd	(iv)	AUD	0.018	31-Mar-23	220.15	99.85	1,275.16	955.15	826.13	-	527.27	(21.02)	548.29	522.52	100.00
19.	SIS Australia Group Pty Ltd	(v)	AUD	0.018	31-Mar-23	869.61	1,117.45	12,422.33	10,435.28	5,364.55	-	770.26	(31.31)	801.58	638.55	100.00
20.	SIS Group International Holdings Pty Ltd	(v)	AUD	0.018	31-Mar-23	0.55	(955.09)	4,561.12	5,515.66	4,496.93	-	137.27	(0.26)	137.53	-	100.00
21.	MSS Strategic Medical and Rescue Pty Ltd	(vi)	AUD	0.018	31-Mar-23	0.55	191.08	702.93	511.30	-	2,059.27	9.71	3.32	6.40	-	100.00

Board's Report (Contd.)

(₹ Million)

Sl. No.	Name of the Subsidiary	Note	Reporting Currency	Closing exchange rate	Financial period ended	Share Capital	Reserve and surplus	Total Assets	Total Liabilities	Invest-ments	Turnover^	Profit / (loss) before tax	Provision for tax	Profit / (loss) after tax	Proposed Dividend*	% of share-holding
22.	SIS MSS Security Holdings Pty Ltd	(vi)	AUD	0.018	31-Mar-23	825.57	638.69	3,160.05	1,695.78	2,595.33	-	887.61	1.04	886.57	881.98	100.00
23.	MSS Security Pty Ltd	(vii)	AUD	0.018	31-Mar-23	550.38	7,490.46	15,092.21	7,051.37	-	36,051.01	1,302.79	396.23	906.56	882.81	100.00
24.	Australian Security Connections Pty Ltd	(vii)	AUD	0.018	31-Mar-23	0.55	-	0.55	-	-	-	-	-	-	-	100.00
25.	MSS AJG Pty Ltd#	(vii)	AUD	0.018	31-Mar-23	-	-	-	-	-	-	-	-	-	-	0.00
26.	Southern Cross Protection Pty Ltd.	(vi)	AUD	0.018	31-Mar-23	21.59	1,684.81	3,875.74	2,169.35	-	8,208.11	362.00	109.82	252.17	-	100.00
27.	Askara Pty Ltd	(viii)	AUD	0.018	31-Mar-23	-	(21.86)	524.53	546.40	-	315.53	(28.87)	(8.23)	(20.64)	-	100.00
28.	Charter Security Protective Services Pty Ltd	(viii)	AUD	0.018	31-Mar-23	0.01	203.20	821.02	617.81	-	336.73	(22.34)	(6.50)	(15.84)	-	100.00
29.	Platform 4 Group Limited	(vi)	NZD	0.019	31-Mar-23	21.37	75.76	408.20	311.07	-	1,742.25	(24.41)	1.37	(25.78)	-	100.00
30.	Triton Security Services Limited	(ix)	NZD	0.019	31-Mar-23	0.06	185.31	202.55	17.19	-	138.14	29.74	0.93	28.81	-	100.00
31.	The Alarm Centre Limited#	(x)	NZD	0.019	31-Mar-23	-	-	-	-	-	-	-	-	-	-	0.00
32.	SIS Henderson Holdings Pte Ltd	(xi)	SGD	0.016	31-Mar-23	966.96	1,785.10	2,754.18	2.12	1,068.73	-	13.30	1.24	12.06	-	100.00
33.	Henderson Security Services Pte Ltd	(xii)	SGD	0.016	31-Mar-23	85.88	163.38	521.30	272.04	-	1,651.82	(145.47)	(2.97)	(142.50)	-	100.00
34.	Henderson Technologies Pte Ltd	(xii)	SGD	0.016	31-Mar-23	0.57	51.62	68.35	16.16	-	76.62	4.04	(5.89)	9.93	-	100.00
35.	Safety Direct Solutions Pty Ltd	(vi)	AUD	0.018	31-Mar-23	0.03	163.74	469.52	305.76	-	770.59	(9.18)	(1.47)	(7.71)	-	85.00
36.	Safety Direct Solutions Pty Ltd NZ	(xiii)	NZD	0.019	31-Mar-23	-	10.37	12.18	1.81	-	20.05	6.81	(0.03)	6.84	-	85.00

Company deregistered during the year ended March 31, 2023.
* It includes dividend declared/distributed/paid during the year.
^ Turnover represents revenue from operations.

Notes:
(i) Subsidiaries of Uniq Security Solutions Private Limited.
(ii) Subsidiary of Dusters Total Solutions Services Private Limited.
(iii) Subsidiary of SIS Security International Holdings Pte. Ltd.
(iv) Subsidiary of SIS Security Asia Pacific Holdings Pte. Ltd.
(v) Subsidiary of SIS Australia Holdings Pty Ltd.
(vi) Subsidiary of SIS Australia Group Pty Ltd.
(vii) Subsidiary of SIS MSS Security Holdings Pty Ltd.
(viii) Subsidiary of Southern Cross Protection Pty. Ltd.
(ix) Subsidiary of Platform 4 Group Ltd.
(x) Subsidiary of Triton Security Services Ltd.
(xi) Subsidiary of SIS Group International Holdings Pty Ltd.
(xii) Subsidiary of SIS Henderson Holdings Pte Ltd.
(xiii) Subsidiary of Safety Direct Solutions Pty Ltd.

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: During the year, MSS AJG Pty Ltd and The Alarm Centre Limited have been deregistered.

Part B: Joint Ventures

(₹ Million)

Sl. No.	Name of the joint ventures	Latest audited balance sheet date	Share of Joint Ventures held by the Group on the year end			Description of how there is significant influence	Reason why the joint venture is not consolidated	Net worth attributable to shareholding as per latest audited balance sheet@	Profit/(loss) for the year	
			Number	Amount of investment	Extent of holding				Considered in consolidation	Not considered in consolidation
1.	SIS Cash Services Private Limited	31-Mar-23	97,08,696	508.89	49%	Joint Venture company	NA	508.07	99.00	103.04
2.	SIS Prosegur Holdings Private Limited *	31-Mar-23	NA	NA	NA	Joint Venture company	NA	NA	NA	NA
3.	SIS Prosegur Cash Logistics Private Limited **	31-Mar-23	NA	NA	NA	Joint Venture company	NA	NA	NA	NA
4.	Habitat Security Pty Ltd	31-Mar-23	49	4.60	49%	Joint Venture company	NA	4.60	3.22	3.35

* Wholly owned subsidiary of SIS Cash Services Private Limited.
** Wholly owned subsidiary of SIS Prosegur Holdings Private Limited.
@ Net worth considered for SIS Cash Services Private Limited, consolidated group of entities.

Notes:
1. Names of associates or joint ventures which are yet to commence operations: None
2. Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Board's Report (Contd.)

ANNEXURE III

A. Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary during the financial year 2022-23, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:

Name of the Director/Key Managerial Personnel and Designation	Ratio of the remuneration of each Director to the Median Remuneration of Employees for the financial year 2022-23	% Increase in remuneration in the financial year 2022-23
Mr. Ravindra Kishore Sinha, Chairman	111:1	Nil
Mr. Rituraj Kishore Sinha, Managing Director	48:1	Nil
Mr. Arvind Kumar Prasad, Director – Finance	28:1	3.90
Mrs. Rita Kishore Sinha, Non-Executive Director	@	
Ms. Rivoli Sinha, Non-Executive Director [1]	@	
Mr. Upendra Kumar Sinha, Independent Director [2]	Not Applicable	^
Mr. Uday Singh, Independent Director [2]	4:1	^
Mr. Tirumalai Cunnavakaum Anandanpillai Ranganathan, Independent Director	4:1	^
Mr. Sunil Srivastav, Independent Director	4:1	^
Mr. Rajan Verma, Independent Director	3:1	^
Mr. Devdas Apte, Independent Director [3]	4:1	^
Mr. Amrendra Prasad Verma, Independent Director [3]	4:1	^
Mr. Rajan Krishnanath Medhekar, Independent Director [3]	4:1	^
Mrs. Renu Mattoo, Independent Director [4]	4:1	^
Mr. Devesh Desai Chief Financial Officer	Not applicable	18.0%
Mr. Brajesh Kumar Chief Financial Officer (SIS India) [5]	Not applicable	13.7%
Ms. Pushpalatha K Company Secretary	Not applicable	10.3%

Remuneration includes salary, allowances, performance linked incentive and bonus.

@ Since the remuneration to Non-Executive Promoter Directors includes a sitting fee for attending meetings of the Board, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence, not stated.

^ Remuneration to Non-Promoter Independent Directors includes commission paid for the financial year ended March 31, 2023. Sitting fees paid to the Directors is excluded. Since there was no commission paid during the financial year ended March 31, 2022, the percentage increase in remuneration is not comparable and hence, not stated.

(1) Ms. Rivoli Sinha was appointed as a Non-Executive Director effective November 2, 2022.

(2) Mr. Upendra Kumar Sinha and Mr. Uday Singh were appointed as Independent Directors effective June 29, 2022, and July 26, 2022, respectively.

(3) Mr. Devdas Apte, Mr. Amrendra Prasad Verma and Mr. Rajan Krishnanath Medhekar, Independent Directors have completed their second consecutive term as Independent the Director of the Company and consequently ceased to be the Directors of the Company effective September 24, 2022.

(4) Mrs. Renu Mattoo, Independent Director has completed her second consecutive term as Independent Director of the Company and consequently ceased to be the Director of the Company effective January 28, 2023.

2. The variable pay of Mr. Rituraj Kishore Sinha, Managing Director and Mr. Arvind Kumar Prasad, Director-Finance, is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the Company. The variable pay is determined by various parameters such as return on equity, earnings per share, CXO level planning, succession planning, guidance and mentoring provided to project teams for executing Technology Transformation projects, coaching of commercial teams on process improvement and control, reviewing and analysing contracts and costs and other strategic goals as determined by the Board from time to time.

3. The percentage increase in the median remuneration of employees in the financial year 2022-23 is 6.71%.

4. There were 1,57,569 permanent employees on the rolls of Company as on March 31, 2023.

5. Average percentage increase made in the salaries of employees, other than the managerial personnel in the financial year 2022-23, was 5.71% over the previous financial year and the average remuneration of the managerial personnel for the same financial year was increased by 1.30%.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE IV-A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SIS Limited
Regd. Office: Annapoorna Bhawan,
Telephone Exchange Road, Kurji,
Patna - 800010

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SIS LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI'):

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (No instances for compliance requirements during the year);

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (No instances for compliance requirements during the year);

(g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (No instances for compliance requirements during the year);

(i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

(j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

vi. The Private Security Agencies (Regulation) Act, 2005 and applicable States Rules made thereunder;

vii. All other Labour, Employee and Industrial Laws to the extent applicable to the Company;

Board's Report (Contd.)

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above wherever applicable except that:

i. Regulation 21(3C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied as one hundred and eighty days was elapsed by a day between two consecutive meetings of the Risk Management Committee.

ii. Proviso to Regulation 17 (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied as there is no Independent Woman Director on the board of directors since the end of tenure of existing independent woman director on January 28, 2023.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board meetings, agenda and detailed note on agenda were sent at least seven days in advance and with necessary compliance wherever sent at shorter period and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried through majority and recorded in the minutes and there were no dissenting views.

I further report that there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the following events / actions took place having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Company has issued and allotted in total 1,52,936 equity shares on various dates during the year to the eligible employees of the Company pursuant to Company's Employees Stock Option Plan, 2016.
2. The Company has acquired 49.99% shareholding in Terminix SIS India Private Limited ("Terminix"), a subsidiary of the Company pursuant to which the holding of the Company in Terminix is 100% effective June 2, 2022.
3. The Company bought back 14,54,545 Equity Shares having a face value of Rs. 5/- each ("Equity shares") at a price of Rs. 550/- per Equity share, through the "tender offer" route in accordance with the Companies Act, 2013 and the SEBI (Buyback of Securities) Regulations, 2018 with the approval of shareholders by way of Special Resolution passed through postal ballot effective August 12,2022.
4. The shareholders at 38th Annual General meeting held on August 30, 2022 have passed a special resolution for alteration of the Articles of Association of the Company.
5. The Company has acquired 85% shareholding in Safety Direct Solutions Pty Ltd ("SDS") by SIS Australia Group Pty Limited ("SIS Australia Group"), a subsidiary of the Company as on September 12, 2022.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No.: 6040 CP No.: 6137
Peer Review Certificate No. 607/2019
UDIN: F006040E000241981

Place: Bengaluru
Date: May 3, 2023

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
SIS Limited
Patna – 800010

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No.: 6040 CP No.: 6137
Peer Review Certificate No. 607/2019
UDIN: F006040E000241981

Place: Bengaluru
Date: May 3, 2023

Board's Report (Contd.)

ANNEXURE IV-B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Dusters Total Solutions Services Private Limited
#332/1, Corporate Miller, 3rd Floor,
Thimmaiah Road, Vasanth Nagar,
Bangalore – 560052

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dusters Total Solutions Services Private Limited (hereinafter called the Company) (CIN: U74999KA2007PTC042734). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's Responsibility:

My responsibility is to express opinion on the compliance with the applicable laws, act, rules or regulations in maintaining their records, documents, statements by the company based on audit. The audit was conducted in accordance with Auditing Standards (CSAS-1 to CSAS-4) issued by the Institute of Company Secretaries of India (ICSI).

I have obtained reasonable assurance about whether the statements prepared, documents or Records maintained by the company are free from misstatement. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Opinion

Based on my verification of the Company's books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

  b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

iv. The other laws as may be applicable specifically to the Company are: Based on the information and explanations given to me by the Company, I report that adequate systems and processes are in place to monitor and ensure compliance with the provisions of other applicable Acts including Employee Provident Fund Act, The Employees State Insurance Act, 1948 and other laws related to the industry as well as tax laws applicable to the Company.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with my letter of even date, which is annexed as Annexure A.

Jayarama Korikkar
FCS, LLB
Membership No.: F6236
C.P. No.: 6653
Peer Review No.: 1458/2021
UDIN: F006236E000242901

Place: Bangalore
Date: May 3, 2023

Board's Report (Contd.)

ANNEXURE A

To,
The Members,
Dusters Total Solutions Services Private Limited
#332/1, Corporate Miller, 3rd Floor,
Thimmaiah Road, Vasanth Nagar,
Bangalore - 560052

My report of even date is to be read along with this letter.

1. Maintenance of records is the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Jayarama Korikkar
Practicing Company Secretary
Membership No: F6236
CP No: 6653
Peer Review No.: 1458/2021
UDIN: F006236E000242901

Date: May 3, 2023
Place: Bangalore

Report on Corporate Governance

I. Company's Philosophy on Corporate Governance

The Company upholds the fundamental principles of equity, fairness, integrity, transparency, accountability, and commitment to values in its Corporate Governance practices. Across all its business segments, the Company ensures fair, transparent, and ethical governance practices, maintaining the highest standards of corporate governance. Corporate Governance is implemented through board governance processes, internal control systems and processes, and audit mechanisms.

The Company's core values include transparency, employee engagement, ethics, and stakeholder satisfaction, which guide its Corporate Governance practices. The Company has established a Code of Conduct for its employees and Directors, which includes a Code of Conduct for Independent Directors incorporating their duties under the Companies Act, 2013 ("the Act").

Your Company confirms compliance with the applicable Corporate Governance requirements set forth in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Mrs. Renu Mattoo served as an Independent Director until January 28, 2023 and the Company is actively seeking eligible and suitable candidates for the position of Independent Woman Director.

II. BOARD OF DIRECTORS

Your Company's Board is well-balanced and diverse. Each director possesses the necessary qualifications, experience, and expertise in their respective functional areas, enabling them to fulfill their responsibilities and provide strong leadership to the management team.

(a) Composition of the Board

i. The Company's Board of Directors comprises of 10 Directors. Out of these, 3 are Executive Directors and 7 are Non-Executive Directors, including 5 Independent Directors.

ii. The Company has an effective mechanism for succession planning which focuses on orderly succession of the Board and Senior Management Team.

iii. As mandated by SEBI Listing Regulations, none of the Directors on the Board holds directorships in more than ten public limited companies, serves as independent director in more than seven listed entities and who are Executive Directors serves as independent director in more than three listed entities. Further, none of the Directors is a member of more than ten specified committees or chairperson of more than five specified committees across all the public companies in which he or she is a Director.

iv. No Director is related to any other Director on the Board, except for Mr. Ravindra Kishore Sinha, Mrs. Rita Kishore Sinha, Mr. Rituraj Kishore Sinha and Ms. Rivoli Sinha who are related inter se.

The Company has received declarations from its Independent Directors stating that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and under Section 149(6) of the Act and are qualified to act as Independent Directors. As per Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have also confirmed that they do not have any knowledge of circumstances or situations that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. Further, the Independent Directors have included their names in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs under Section 150 of the Act and Rule 6 of the Companies (Appointment and Qualification) Rules, 2014.

Report on Corporate Governance (Contd.)

v. The names and categories of the directors on the Board, along with their positions in other listed entities and the number of directorships, and committee chairmanships/memberships they hold in other public limited companies as on March 31, 2023, are as follows:

Name of the Director	Category	Number of Directorships in other Companies (including the Company)*		Number of the Committee positions held in other Companies (including the Company) #		Directorships in other listed entity (Category of Directorship)
		Chairman	Member	Chairman	Member	
Mr. Ravindra Kishore Sinha (Chairman)	Promoter, Executive	1	9	-	-	-
Mr. Rituraj Kishore Sinha (Managing Director)	Promoter, Executive	-	9	-	2	-
Mr. Arvind Kumar Prasad (Director – Finance)	Executive	-	3	-	-	-
Mrs. Rita Kishore Sinha (Non-Executive Director)	Non-Executive	-	10	-	-	-
Ms. Rivoli Sinha (Non-Executive Director)	Non-Executive	-	9	-	-	-
Mr. Upendra Kumar Sinha (Independent Director)	Independent	1	4	5	3	1. Vedanta Limited (Independent) 2. Havells India Limited (Independent) 3. Housing Development Finance Corporation Limited (Independent) 4. New Delhi Television Limited (Independent)
Mr. Uday Singh (Independent Director)	Independent	-	9	-	-	-
Mr. Tirumalai Cunnavakaum Anandanpillai Ranganathan (Independent Director)	Independent	-	2	2	0	Orient Electric Limited (Independent)
Mr. Sunil Srivastav (Independent Director)	Independent	-	5	2	3	CSB Bank Limited (Independent)
Mr. Rajan Verma (Independent Director)	Independent	-	2	0	1	-

** Excludes Private Limited Companies (which are not subsidiaries of public companies), Foreign Companies, LLPs and Companies registered under Section 8 of the Act (i.e., companies with charitable objects).*

 # Includes only Audit Committee and Stakeholders' Relationship Committee as per the provisions of SEBI Listing Regulations.

The Board is duly supported by the Management in ensuring the effective functioning of the Company. The Board oversees the Company's overall performance and directs the activities of the Management towards achieving the set goals. Additionally, the Board establishes corporate behavior standards, promotes transparency in corporate dealings and ensures compliance with the laws and regulations.

Furthermore, the Board conducts periodic reviews of all relevant information that must be presented to it in accordance with the SEBI Listing Regulations.

(b) Number of Board meetings

The Board meets at regular intervals to discuss and make decisions regarding the Company's results, operations, business policies, strategies, and other matters.

During the year, the Board of Directors held seven meetings on April 19, 2022, May 4, 2022, June 29, 2022, July 26, 2022, November 2, 2022, February 2, 2023, and March 24, 2023. The necessary quorum was present for all the meetings and the maximum time gap between any two consecutive meetings did not exceed 120 days.

(c) Attendance of Directors

The attendance of the Directors at the Board meetings and the last Annual General Meeting (AGM) held during the year under review are as under:

Name of the Director	Number of board meetings held during the tenure	Number of board meeting attended	Attended last AGM held on August 30, 2022
Mr. Ravindra Kishore Sinha	7	7	Yes
Mr. Rituraj Kishore Sinha	7	6	Yes
Mr. Arvind Kumar Prasad	7	6	Yes
Mrs. Rita Kishore Sinha	7	6	Yes
Ms. Rivoli Sinha@	3	2	NA
Mr. Upendra Kumar Sinha#	5	5	Yes
Mr. Uday Singh$	7	6	Yes
Mr. Devdas Apte^	4	4	No
Mr. Amrendra Prasad Verma^	4	4	Yes
Mr. Tirumalai Cunnavakaum Anandanpillai Ranganathan	7	7	Yes
Mr. Rajan Krishnanath Medhekar^	4	4	Yes
Mrs. Renu Mattoo*	5	5	No
Mr. Sunil Srivastav	7	7	Yes
Mr. Rajan Verma	7	7	Yes

@ Appointed as a Non-Executive Director effective November 2, 2022

 # Appointed as an Independent Director effective June 29, 2022.

$ Appointed as an Independent Director effective July 26, 2022.

^ Ceased to be the Directors of the Company upon completion of their second term at the close of business hours on September 24, 2022.

** Ceased to be the Director of the Company upon completion of her second term at the close of business hours on January 28, 2023.*

(d) Directors with pecuniary relationship or business transaction with the Company

There is no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to the Non-Promoter Non-Executive Directors, in accordance with the applicable laws and with the approval of the shareholders.

The Executive Directors receive salary, perquisites and allowances, while the Non-Promoter Non-Executive Directors receive sitting fees for attending meetings of the Board and Committees and commission as approved by the shareholders and Promoter Non-Executive Directors receive sitting fees for attending meetings of the Board and Committees.

Report on Corporate Governance (Contd.)

(e) Remuneration of Directors

(i) Details of remuneration paid to Executive Directors during the year under review are as under:

(in ₹)

Name of the Director	Salary	Perquisites, allowances and other benefits	Performance linked incentive	Stock Option details, if any,	Total
Mr. Ravindra Kishore Sinha, Chairman	1,26,12,000	1,00,99,584	-	-	2,27,11,584
Mr. Rituraj Kishore Sinha, Managing Director	44,16,000	52,75,296	-	-	96,91,296
Mr. Arvind Kumar Prasad, Director – Finance	25,90,000	30,87,532	-	-	56,77,532

Notes:

1. *The above figures do not include provision for gratuity, leave encashment and premium paid for health insurance and the contribution paid by the Company towards provident fund.*
2. *The appointment of Managing Director and Whole-Time Director may be terminated by three months' notice in writing on either side and no severance fees is payable to the Managing Director and Whole-Time Director of the Company.*

(ii) Details of remuneration paid to Non-Executive Directors during the year under review are as under:

Members have approved payment of commission to the Non-promoter Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of the Company. The amount of commission payable to the Directors is determined after assigning weightage to various factors, which inter-alia, include providing strategic perspective, Chairmanship, contributions made by the Directors, type of the meeting and responsibilities under various statutes, performance evaluation etc., the Board has approved payment of ₹ 58.13 Lakh as commission to the Non-promoter Non-Executive/Independent Directors.

Details of remuneration paid to the Non-promoter Non-Executive/Independent Directors for FY 2022-23 are as under:

(in ₹)

Name of the Director	Sitting Fees (for Board and the Committees)	Commission	Total
Mrs. Rita Kishore Sinha	6,00,000	-	6,00,000
Ms. Rivoli Sinha	2,00,000	-	2,00,000
Mr. Upendra Kumar Sinha	9,00,000	-	9,00,000
Mr. Uday Singh	14,00,000	7,57,500	21,57,500
Mr. Devdas Apte#	4,00,000	7,57,500	11,57,500
Mr. Amrendra Prasad Verma#	12,00,000	7,57,500	19,57,500
Mr. Tirumalai Cunnavakaum Anandanpillai Ranganathan	24,00,000	7,57,500	31,57,500
Mr. Rajan Krishnanath Medhekar#	9,00,000	7,57,500	16,57,500
Mrs. Renu Mattoo@	6,00,000	7,57,500	13,57,500
Mr. Sunil Srivastav	21,00,000	7,57,500	28,57,500
Mr. Rajan Verma	13,00,000	5,10,600	18,10,600
Total	**1,20,00,000**	**58,13,100**	**1,78,13,100**

 # Ceased to be the directors upon completion of their second term at the close of business hours on September 24, 2022.

@ Ceased to be the director upon completion of her second term at the close of business hours on January 28, 2023.

During the year under review, there was no pecuniary relationship or transaction between the Company and its Non-Executive Directors.

(f) Number of shares and convertible instruments held by Non-Executive Directors

The details of equity shares of the Company held by Non-Executive Directors as on March 31, 2023 are given below:

Name of the Director and Category	Number of equity shares held
Mrs. Rita Kishore Sinha, Non-Executive	2,33,12,364
Ms. Rivoli Sinha, Non-Executive	47,27,632

(g) Skills/Expertise/Competence of Board of Directors

The Board is composed of qualified members who possess the necessary skills, expertise and competencies required to make effective contributions to the Board and its Committees. The Board of Directors has identified the core skills, expertise, and competencies necessary for the effective functioning of the Company's business, as follows.

Strategy and Planning	Experience in reviewing and guiding corporate strategy, annual budgets and business plans and overseeing major capital expenditures and acquisitions.
Governance	Experience in developing governance practices, protecting the interests of stakeholders, and building long-term effective stakeholder engagements.
Finance	Ability to understand the (a) financial statements; (b) accounting principles used for the preparation of the financial statements; (c) internal controls; and (d) procedures for financial reporting.
Leadership	Experience in understanding the organizational processes, strategic planning, and risk management, as well as the ability to effectively represent the Company's vision, mission, and values to key stakeholders.
Sustainability	Ability to provide guidance on corporate social responsibility activities for the betterment of society at large.
Risk Management	Knowledge of risk management, risk frameworks, mitigation of risks with respect to the business of the Company.

Directors possess the following skills/expertise/competence:

Sl. No.	Director Name	Skill/ expertise/ competence
1.	Mr. Ravindra Kishore Sinha	Finance, Governance, Leadership, Board Experience, Strategy and M&A, Risk Management, Marketing, Supply Chain, Sustainability and Subject Expertise
2.	Mr. Rituraj Kishore Sinha	Finance, Governance, Leadership, Board Experience, Strategy and M&A, Risk Management, Marketing, Supply Chain, Sustainability, and Subject Expertise
3.	Mr. Arvind Kumar Prasad	Finance, Governance, Board Experience, Digital Tech, Audit, Tax, Risk Management, Sustainability and Subject Expertise
4.	Mrs. Rita Kishore Sinha	Board Experience, Legal Experience, Strategy and Planning and Subject Expertise
5.	Ms. Rivoli Sinha	Finance, Leadership, Board Experience, Strategy and Planning and Subject Expertise
6.	Mr. Upendra Kumar Sinha	Strategy and Planning, Governance, Finance, Leadership, Board Experience, Risk Management and Subject Expertise
7.	Mr. Uday Singh	Finance, Governance, Leadership, Board Experience, Strategy and M&A, Risk Management, Sustainability and Subject Expertise
8.	Mr. TCA Ranganathan	Finance, Governance, Board Experience, Sustainability, Risk Management and Subject Expertise
9.	Mr. Sunil Srivastav	Finance, Governance, Board Experience, Risk Management, Sustainability and Subject Expertise
10.	Mr. Rajan Verma	Finance, Governance, Board Experience, Legal Experience and Risk Management

(h) Meeting of Independent Directors

A separate meeting of the Independent Directors was held on November 2, 2022, without the presence of Non-Independent Directors and the management, inter-alia, to discuss (a) Evaluation of the performance of the Non-Independent and the Board of Directors as a whole, (b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-Executive Directors and (c) Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

(i) Code of conduct

The Board of Directors has laid down a 'Code of Conduct' for the Board of Directors and Senior Management which is available on the Company's website at https://sisindia.com/wp-content/uploads/2023/02/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf

All Board members and Senior Management Personnel have confirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. A declaration to that effect signed by the Managing Director forms part of this Report.

Report on Corporate Governance (Contd.)

(j) Familiarization Programme for Independent Directors

The Familiarization program aims to provide insight to the Independent Directors to understand the nature of the Company in which the Company operates, business model of the Company, its stakeholders, leadership team, senior management, operations, policies and industry perspective and issues. The Independent Directors are made aware of their roles, rights, and responsibilities at the time of their appointment/re-appointment through a formal letter of appointment.

In addition to the above, the familiarization program for Independent Directors forms part of the Board process. On an on-going basis, the Directors are familiarised with the Company's business, its operations, business plans, strategy, functions, policies and procedures and the performance of subsidiaries at the Board and Committee meetings. Changes in the regulatory framework and its impact on the operations of the Company are also presented at the Board/Committee meetings.

The details of the familiarization program for Independent Directors are available on the Company's website and the weblink is https://sisindia.com/wp-content/uploads/2023/02/Familiarisation-programme-for-Independent-Directors-1.pdf.

(k) Nomination and Remuneration Policy

The Remuneration Policy is available on the Company's website and the weblink is https://sisindia.com/wp-content/uploads/2023/05/Nomination-and-Remuneration-Policy-1.pdf

Remuneration of Directors

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends all decisions relating to the remuneration of Directors to the Members for their approval, wherever necessary.

The Company pays remuneration to the Executive Directors by way of salary, perquisites, and allowances. Non-Executive Directors are paid a sitting fee of ₹ 100,000 per meeting for attending the meetings of the Board and Committees. Shareholders have approved the payment of commission to the Non-Promoter Non-Executive Directors of an amount not exceeding 1% per annum of the net profits of the Company.

(l) Performance Evaluation

A formal evaluation framework in place for the evaluation of the Board's performance, the performance of its committees, and individual Directors, including the Chairman of the Board, in compliance with the provisions of the Act and the SEBI Listing Regulations. As per the evaluation framework, evaluation forms are circulated separately to evaluate the Board and its Committees, Independent Directors/Non-Executive Directors, Executive Directors, and the Chairman of the Company.

The Board of directors has carried out an annual evaluation of its performance, board committees and individual directors, in accordance with the provisions of the Act and SEBI Listing Regulations.

The evaluation of the Board was based on criteria such as the board composition, structure, meetings and procedures, information and functioning etc. and the performance of the committees was evaluated based on criteria such as the composition of committees, effectiveness of committee meetings, etc. Independent Directors were evaluated based on participation, decision-making capacity, strategic perspective, Chairmanship of Committees, attendance, and preparedness for the meetings etc.

The performance of Non-Independent Directors, the Board as a whole, and the Committees of the Board were evaluated by Independent Directors in a separate meeting. The Independent Directors also evaluated the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors.

The criteria used for evaluation were based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

(m) Prevention of Insider Trading

As per the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company adopted a Code of Conduct to regulate, monitor and report trading by designated persons in securities of the Company.

The Insider Trading Code has been implemented to prevent the misuse of unpublished price-sensitive information and set a framework, rules, and procedures that all concerned parties should follow, both in letter and spirit, while trading in listed or proposed to be listed securities of the Company.

The policy and procedures are periodically reviewed and revised from time to time and communicated to the designated persons. A digital platform is being maintained by the Company, which contains the names and other prescribed particulars of the persons covered under the Insider Trading Code. This online tracking mechanism helps for monitoring trade in the Company's securities by designated persons and taking appropriate action in case of any violation/non-compliance of the Company's Insider Trading Code.

(n) Directors and Officers Insurance

In accordance with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has obtained Directors and Officers Insurance (D&O) for all its Directors and Members of the Senior Management for such quantum and for such risks as determined by the Board.

(o) Acceptance of recommendation of Committees

The Board of Directors has accepted all the recommendations received from its mandatory/ non-mandatory committees and none of the recommendations made by any of the Committees has been rejected by the Board.

III. Committees of the Board

The Board has constituted various Committees in accordance with the provisions of the Listing Regulations and the Act.

As of March 31, 2023, the Company had 5 mandatory Committees of the Board, which are Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee and Risk Management Committee.

Each committee has specific terms of reference, and their role is to assist the Board in making informed decisions and ensuring compliance with applicable laws and regulations.

Details of the role and composition of each committee, including the number of meetings held during the financial year and attendance at meetings, are provided below.

A. Audit Committee

The Audit Committee comprises three Independent Directors viz. Mr. TCA Ranganathan, Mr. Sunil Srivastav and Mr. Rajan Verma. All members of the Audit Committee possess accounting or financial management knowledge and are financially literate.

During the year under review, 6 Audit Committee meetings were held on May 4, 2022, June 2, 2022, July 26, 2022, November 2, 2022, February 2, 2023 and March 27, 2023 and the gap between the two meetings did not exceed one hundred and twenty days.

The composition of the Audit Committee and details of the meetings attended by the Members are given below.

Name	Category	Position	No. of meetings held during the tenure	No. of meetings attended
Mr. Amrendra Prasad Verma*	Independent	Chairman	3	3
Mr. TCA Ranganathan	Independent	Chairman	6	6
Mr. Rajan Krishnanath Medhekar*	Independent	Member	3	3
Mr. Sunil Srivastav	Independent	Member	6	6
Mr. Rajan Verma#	Independent	Member	3	3

** Ceased to be the member of the Committee w.e.f September 24, 2022.*
 # Appointed as the member of the Committee w.e.f September 24, 2022.

During the year, the Audit Committee was reconstituted on July 26, 2022, with the changes becoming effective from September 24, 2022.

The Director-Finance and Chief Financial Officers are permanent invitees to the meetings of the Audit Committee. The Statutory Auditors and Internal Auditors are also invited to the meetings.

The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee was present at the last AGM of the Company held on August 30, 2022.

The Chairman of the Audit Committee briefs the Board on the discussions held during Audit Committee meetings. Quarterly Reports on matters relating to the Insider Trading Code are placed before the Committee.

The terms of reference of the Audit Committee include the following:

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

Report on Corporate Governance (Contd.)

(b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(c) Approval of payment to statutory auditors for any other services rendered by them;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) matters required to be included in the Director's Responsibility Statement to be included in the board of directors' report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

(ii) changes, if any, in accounting policies and practices and reasons for the same;

(iii) major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) significant adjustments made in the financial statements arising out of audit findings;

(v) compliance with listing and other legal requirements relating to financial statements;

(vi) disclosure of any related party transactions; and

(vii) modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval;

(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or Qualified Institutions Placement, and making appropriate recommendations to our board of directors to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Approval or any subsequent modification of transactions of the Company with related parties;

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of the Company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(n) Discussion with internal auditors of any significant findings and follow up thereon;

(o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(r) Reviewing the functioning of the whistle blower mechanism;

(s) Approval of the appointment of the Chief Financial Officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;

(t) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(u) Reviewing the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of directors of the Company or specified/provided under the Companies Act, 2013 or by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority;

The Audit Committee mandatorily reviews the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

(e) statement of deviations in terms of the SEBI Listing Regulations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

(ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprises three Independent Directors viz. Mr. Upendra Kumar Sinha, Mr. TCA Ranganathan and Mr. Sunil Srivastav.

During the year under review, 4 meetings of NRC were held on April 19, 2022, June 20, 2022, July 26, 2022, and October 20, 2022. The Chairman of the NRC was present at the last AGM held on August 30, 2022.

The composition of the NRC and details of the meetings attended by the Members are given below:

Name	Category	Position	No. of meetings held during the tenure	No. of meetings attended
Mr. TCA Ranganathan	Independent	Member	4	4
Mr. Upendra Kumar Sinha#	Independent	Chairman	1	1
Mr. Amrendra Prasad Verma*	Independent	Member	3	3
Mr. Sunil Srivastav	Independent	Member	4	4

 # Appointed as the member and chairman of the Committee w.e.f September 24, 2022.

** Ceased to be the member of the Committee w.e.f September 24, 2022.*

During the year, NRC was reconstituted on July 26, 2022, with the changes becoming effective from September 24, 2022. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee includes the following:

(a) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;

(b) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

(c) Formulate the criteria for evaluation of the performance of the Board, its Committees and individual directors;

(d) Recommend to the Board all remuneration payable to Senior Management;

(e) Devise a policy on diversity of the Board;

(f) To consider whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors;

(g) Carrying out such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and

(h) Carrying out such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Report on Corporate Governance (Contd.)

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises three Independent Directors viz., Mr. Upendra Kumar Sinha, Mr. Rituraj Kishore Sinha, and Mr. Sunil Srivastav. The Committee is headed by Mr. Upendra Kumar Sinha, Independent Director.

During the year under review, one Stakeholders Relationship Committee meeting was held on November 2, 2022.

The composition of the Stakeholders Relationship Committee and details of the meeting attended by Members are given below:

Name	Category	Position	No. of meetings held during the tenure	No. of meetings attended
Mr. Amrendra Prasad Verma*	Independent	Chairman	Nil	NA
Mr. Upendra Kumar Sinha#	Independent	Chairman	1	1
Mr. Rituraj Kishore Sinha	Executive	Member	1	1
Mr. Sunil Srivastav	Independent	Member	1	1

** Ceased to be the member of the committee w.e.f September 24, 2022*

 # Appointed as the member and chairman of the committee w.e.f September 24, 2022

During the year, SRC was reconstituted on July 26, 2022, with the changes becoming effective from September 24, 2022. Ms. Pushpalatha Katkuri, Company Secretary acts as Secretary to the Committee and is the Compliance Officer of the Company.

The Chairman of the Stakeholders' Relationship Committee was present at the last AGM held on August 30, 2022.

The terms of reference of the Stakeholders' Relationship Committee includes the following:

(a) redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/ transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;

(b) giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(c) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services;

(d) establishing and approving a framework for investor communication and engagement, monitoring its implementation, periodical reviews for effectiveness;

(e) stakeholders' engagement and establishing a structured framework for identification, consultation, prioritising and addressing concerns and needs in a consistent and transparent manner; and

(f) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act or SEBI Listing Regulations, or by any other regulatory authority.

The details of the shareholder's complaints received and redressed during the financial year ended March 31, 2023 are provided below:

Opening balance	Received during the year	Resolved during the year	Closing balance
-	0	0	-

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises three directors viz. Mr. Ravindra Kishore Sinha, Mr. Uday Singh and Mr. Arvind Kumar Prasad.

During the year, one meeting of the CSR Committee was held on September 20, 2022.

The Composition of the CSR Committee and details of the meetings attended by the Members are given below:

Name	Category	Position	No. of meetings held during the tenure	No. of meetings attended
Mr. Ravindra Kishore Sinha	Executive	Chairman	1	1
Mr. Rajan Krishnanath Medhekar*	Independent	Member	1	1
Mr. Uday Singh	Independent	Member	1	1
Mr. Arvind Kumar Prasad#	Executive	Member	Nil	NA

** Ceased to be the member of the Committee w.e.f September 24, 2022*

 # Appointed as the member of the Committee w.e.f September 24, 2022

During the year, CSR Committee was reconstituted on July 26, 2022, with the changes becoming effective from September 24, 2022.

The terms of reference of the Corporate Social Responsibility Committee includes the following:

(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;

(b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013; and

(c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

E. Risk Management Committee

The Risk Management Committee comprises three Independent Directors viz. Mr. Upendra Kumar Sinha, Mr. Sunil Srivastav and Mr. Rajan Verma.

During the year, two meetings of the Risk Management Committee were held on April 6, 2022 and October 5, 2022.

The Composition of the Risk Management Committee and details of the meetings attended by the Members are given below:

Name	Category	Position	No. of meetings held during the tenure	No. of meetings attended
Mr. Amrendra Prasad Verma*	Independent	Chairman	1	1
Mr. Upendra Kumar Sinha#	Independent	Chairman	1	1
Mr. Rajan Krishnanath Medhekar*	Independent	Member	1	1
Mr. Sunil Srivastav	Independent	Member	2	2
Mr. Rajan Verma	Independent	Member	2	2

**Ceased to be the members of the Committee w.e.f September 24, 2022*

 # Appointed as the member and chairman of the Committee w.e.f September 24, 2022

Report on Corporate Governance (Contd.)

During the year, Risk Management Committee was reconstituted on July 26, 2022, with the changes becoming effective from September 24, 2022.

The Chief Financial Officer is the permanent invitee to the Committee meetings. The Company Secretary acts as the secretary to the Committee.

The terms of reference of the Risk Management Committee includes the following:

(a) Developing business continuity plan by way of identifying and prioritising market risks, strategic and operational risks including data security, compliance risks, sustainability risks and financial and reporting risks, developing appropriate mitigation strategies and conducting periodic reviews of the progress on the management of identified risks;

(b) Implementation and maintaining a risk management framework which identifies, assesses, manages and monitors the Company's business risks;

(c) To put in place the appropriate systems and procedures to proactively monitor and manage the inherent risks in businesses with relatively high-risk profiles;

(d) Formulation and deployment of risk management policies and procedures;

(e) Facilitating the execution of risk management practices;

(f) Providing periodic updates to the Board on the risks related to key business objectives and their mitigation and also the nature and content of its discussions, recommendations and actions to be taken;

(g) Ensuring effectiveness of risk mitigation measures;

(h) Reviewing and recommendation of changes as required to ensure that the Company always has in place a risk management policy which addresses the strategic, operational, financial and compliance risks;

(i) Setting up of reporting guidelines for management to report to the Committee on the effectiveness of the Company's management of its business risks;

(j) Reviewing the risk profiles and evaluating the measures taken to mitigate the business risks;

(k) Reviewing the nature and level of insurance coverage;

(l) Reviewing periodically the key risk indicators and management response thereto;

(m) Monitoring and overseeing the implementation of the policy and effectively contributing the early identification of risks and proper mitigation process including evaluation of the adequacy of risk management systems; and

(n) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act or SEBI Listing Regulations, or by any other regulatory authority.

IV. General Body Meetings

a. Details of the General Meetings of the Company held in the last three years along with details of special resolutions as passed by the Members, are given below:

Financial Year	Date, Time, and Venue	Particulars of special resolution
2019-20 Annual General Meeting	July 20, 2020 at 12:00 p.m. through Video Conferencing/ Other Audio-Visual Means	1. Re-appointment of Mrs. Renu Mattoo as an Independent Director and continuation of Mrs. Mattoo, as a Non-Executive Director. 2. Re-appointment of Mr. Rajan Krishnanath Medhekar as an Independent Director of the Company.
2020-21 Annual General Meeting	June 25, 2021 at 12:00 p.m. through Video Conferencing/ Other Audio-Visual Means	1. Revision in the remuneration of Mr. Arvind Kumar Prasad, Director Finance of the Company.
2021-22 Annual General Meeting	August 30, 2022 at 12:00 Noon at Hotel Maurya, Fraser Road, Patna – 800 001	1. Appointment of Mr. Uday Singh as an Independent Director of the Company. 2. Re-appointment of Mr. Sunil Srivastav as an Independent Director of the Company. 3. Alteration of the Articles of Association of the Company.

b. Details of special resolutions passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

I. Date of Postal Ballot Notice	:	June 29, 2022
Voting Period	:	July 14, 2022 (from 09:00 hrs. IST) to August 12, 2022 (to 17:00 hrs. IST).
Date of Declaration of Result	:	August 13, 2022
Date of Approval	:	August 12, 2022
Person who conducted the postal ballot	:	Mr. Sudhir V Hulyalkar, Company Secretary in Practice, Bangalore, was appointed to act as the Scrutinizer for conducting the postal ballot and e – voting process.

Details of Voting

Resolution Description	No. of Votes Polled	Votes cast in favor		Votes cast against	
		No. of Votes	%	No. of Votes	%
Appointment of Mr. Upendra Kumar Sinha (DIN: 00010336) as an Independent Director of the Company	12,52,55,617	12,52,43,400	99.9902	12,217	0.0098
Buyback of up to 14,54,545 Equity Shares at a price of ₹ 550/- per Equity Share, on a proportionate basis, through the "tender offer" route in accordance with the Companies Act and the SEBI Buyback Regulations	12,52,55,820	12,52,55,413	99.9997	407	0.0003

Procedure for postal ballot

In compliance with Section 108 and 110 and other applicable provisions of the Act, read with the Rules made thereunder, and the Circulars issued by the Ministry of Corporate Affairs in relation to "clarification on passing of ordinary and special resolutions by companies under the Act and the Rules made thereunder", the Company had provided electronic voting (e-voting) facility, to all its members through e-voting platform of Central Depository Services (India) Limited.

Postal ballot notices were sent only through electronic mode to those members whose e-mail addresses were registered with the Company/Depositories as on the record date and all the notices were placed on the Company's website for information of the members. The Company had also published notices in the newspapers about the postal ballot and the process as required under the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date.

The consolidated results of the voting were submitted to the stock exchanges and displayed on the Company's website, www.sisindia.com.

c. Details of special resolution proposed to be conducted through postal ballot

No special resolution is proposed to be conducted through postal ballot.

V. Other disclosures

i. Disclosures regarding Board of Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations.

A detailed profile of the Directors who are seeking re-appointment at the ensuing AGM of the Company is given under the explanatory statement to the Notice convening the AGM of the Company.

ii. Means of Communication

- Copies of the press release, quarterly presentations on the Company's performance, official news release and presentation made to Institutional Investors/ Analysts are hosted on the Company's website at www.sisindia.com.
- Quarterly/half-yearly/annual results of the Company are usually published in Financial express (all editions), Hindustan Hindi (Patna edition). The results along with notes/presentations on the results of the quarter are displayed on the website of the Company, www.sisindia.com.
- At the end of each quarter, the Company organizes earnings call with the analysts and investors and the transcripts of the same are uploaded on the Company's website.
- Disclosures pursuant to various provisions of the SEBI Listing Regulations, as applicable, are promptly

Report on Corporate Governance (Contd.)

communicated to the stock exchanges where the shares of the Company are listed and are also displayed on the Company's website.

iii. Details of material related party transactions that may have potential conflict with the interests of the Company

During the year under review, there were no material related party transactions which have a potential conflict with the interest of the Company at large. All contracts/arrangements/transactions entered into by your Company with its related parties were at arm's length basis and in the ordinary course of business. All related party transactions were approved by the Audit Committee and are reviewed by the Audit Committee on a quarterly basis.

The policy on related party transactions is available on the Company's website and the weblink is https://sisindia.com/wp-content/uploads/2023/02/Policy-on-dealing-with-Related-Party-Transactions.pdf

iv. Whistle Blower Policy

The Company has established a Vigil Mechanism for reporting concerns through the Whistle Blower Policy of the Company. The Policy provides for a framework and process, for the employees and directors to report genuine concerns or grievances about illegal or unethical behavior, actual or suspected fraud, actions that affect the financial/accounting matters of the Company, leaking of confidential or proprietary information . The mechanism also provides for direct access to the Chairman of the Audit Committee. No personnel has been denied access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of the Company and the weblink is https://sisindia.com/wp-content/uploads/2023/05/Details-of-the-establishment-of-vigil-mechanism-or-Whistle-Blower-policy.pdf

v. Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by the stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the applicable provisions of the SEBI Listing Regulations and as well as other applicable regulations of the SEBI with the exception of two provisions related to the appointment of a woman independent director and the convening of a meeting of the Risk Management Committee.

Mrs. Renu Mattoo had served as an Independent Director until January 28, 2023, and the Company is actively seeking suitable and eligible candidates to fill the position of Independent Woman Director and that a delay of one day in convening a meeting of the Risk Management Committee had occurred due to intervening holidays and non-availability of all members.

There have been no instances of non-compliances by the Company on any matters related to capital markets during the last three years and no penalty or strictures have been imposed by SEBI or the Stock Exchanges or any statutory authority.

vi. Compliance with mandatory requirements

The Company has complied with all the mandatory requirements under the SEBI Listing Regulations.

vii. Status of Compliance of non-mandatory requirement

a. Modified Opinion(s) in Audit Report

The Auditors have issued an unmodified opinion on the standalone and consolidated financial statements of the Company.

b. Reporting of Internal Auditor

Internal auditors make quarterly presentations to the audit committee on their reports.

c. Shareholder rights

A quarterly announcement of financial performance with key highlights was sent to every member.

VI. None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A certificate to this effect, duly signed by Mr. Sudhir V Hulyalkar, Company Secretary in Practice forms part of this Report.

VII. Subsidiary Companies

Dusters Total Solutions Services Private Limited is the material subsidiary of the Company. The Company formulated a policy for determining 'material subsidiaries' which is available on the Company's website at https://sisindia.com/wp-content/uploads/2023/02/Policy-on-determining-Material-Subsidiaries.pdf

The Audit Committee reviews the financial statements of the subsidiary companies and, in particular, the investments made by the subsidiary companies. The minutes of the Board meetings as well as statements of all significant transactions of the subsidiary companies are placed before the Board of Directors of the Company for its review.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and necessary management resources.

VIII. General Shareholder Information

i. Annual General Meeting for FY 2022-23

Date	: June 30, 2023
Day	: Friday
Time	: 12:00 Noon (IST)
Venue	: Hotel Maurya, Fraser Road, Patna- 800001

ii. Financial Calendar:

Financial Year of the Company	: April 01, to March 31
For the quarter ending June 30, 2023	: July, 2023
For the quarter/half-year ending September 30, 2023	: November, 2023
For the quarter/nine-months ending December 31, 2023	: February, 2024
For the quarter/year ending March 31, 2024	: May, 2024
40th Annual General Meeting for the year ending March 31, 2024	: June, 2024

iii. Dividend payment date : N.A.

iv. Date of Book Closure/Record date : N.A.

v. Listing on stock exchanges :

Equity Shares	
BSE Limited (BSE)	**National Stock Exchange of India Limited (NSE)**
Phiroze Jeejeebhoy Towers,	Exchange Plaza, Plot No. C–1, G Block,
Dalal Street, Mumbai – 400 001	Bandra-Kurla Complex, Bandra (East),
Tel: 022-22721233/34	Mumbai – 400 051
Website: www.bseindia.com	Tel: 022 26598100 - 8114
	Website: www.nseindia.com

Annual Listing fee has been paid to BSE and NSE and no amount is outstanding.

vi. Name and address of the Debenture Trustee : N.A.

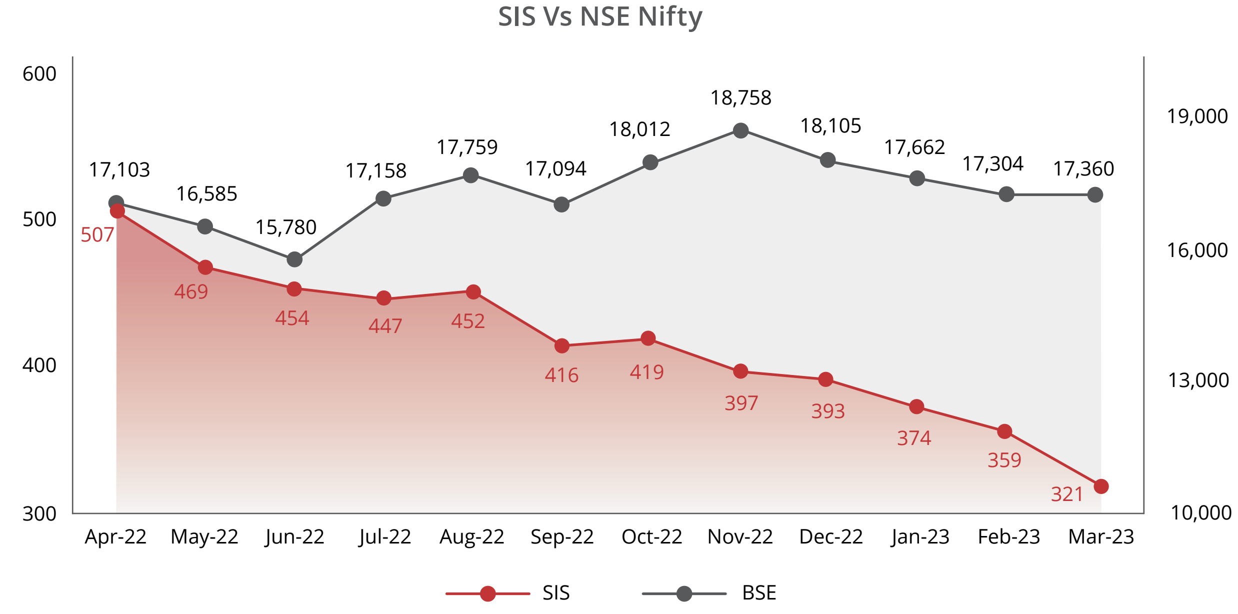
vii. Stock Codes/Symbol : BSE : 540673
NSE : SIS

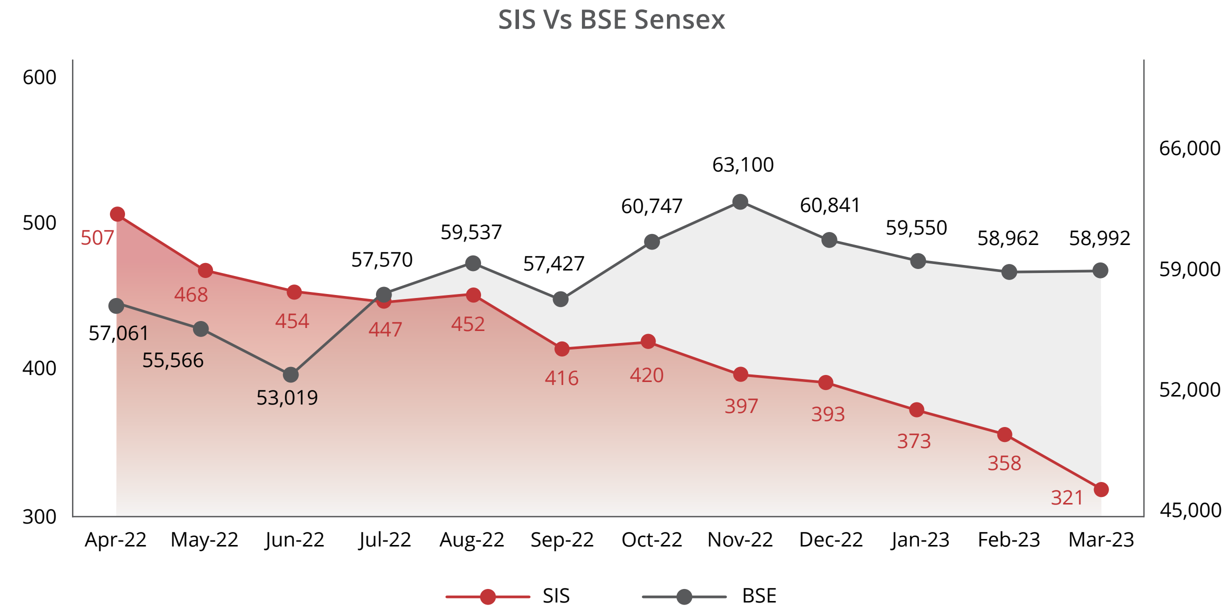
viii. Market price data- high, low during each month in FY 2022-23:

Month	BSE				NSE			
	High	Low	Closing Price	Volume	High	Low	Closing Price	Volume
Apr-22	527.55	484.70	506.95	1,93,088	528.00	482.50	506.95	21,60,786
May-22	510.20	451.00	467.85	1,00,170	510.85	451.00	469.45	20,44,264
Jun-22	485.00	435.15	453.90	94,971	485.00	434.90	453.90	23,46,661
Jul-22	477.00	438.25	446.95	57,145	480.60	435.50	447.05	16,67,788
Aug-22	461.80	435.20	452.15	88,306	461.90	436.35	452.20	17,71,146
Sep-22	474.40	400.05	416.30	1,53,621	471.00	400.00	416.45	24,97,718
Oct-22	426.50	412.00	419.85	87,879	430.00	411.00	418.55	4,97,094
Nov-22	425.00	382.35	397.30	74,660	425.00	386.10	397.45	12,64,076
Dec-22	406.00	374.80	392.95	1,13,142	405.00	373.60	392.80	30,06,225
Jan-23	404.05	365.00	373.45	85,128	404.55	365.55	373.85	15,97,697
Feb-23	381.15	337.30	358.10	83,546	381.10	337.00	358.60	23,32,613
Mar-23	365.15	317.95	320.60	82,352	365.30	318.95	320.65	13,43,966

Report on Corporate Governance (Contd.)

ix. Performance of Equity Shares price in comparison to BSE Sensex and Nifty





x. Dividend Policy

The declaration and payment of dividend will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Act. The dividend, if any, will depend on several factors, including but not limited to growth plans, capital requirements and the available distributable surplus. This Policy is available on the Company's website at https://sisindia.com/wp-content/uploads/2023/02/Dividend-Distribution-Policy.pdf

xi. Registrars and Transfer Agents

Name and Address	:	Link Intime India Private Limited
		C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083
		Telephone: 022 4918 6200
		Fax: 022 4918 6060
		E-mail : rnt.helpdesk@linkintime.co.in
		Website: www.linkintime.co.in

xii. Share Transfer System:

99.94% of the equity shares of the Company are held in demat form. Transfer of these shares are done through the depositories with no involvement of the Company.

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer System to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt if the documents are clear in all respects. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e., NSDL and CDSL within 15 days.

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, requests for effecting transfer of securities will be affected only in dematerialised form. Transmission and transposition of securities held in physical or dematerialised form will also be affected only in dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

xiii. Address for members' correspondence

Members are requested to correspond with the Registrars and Share Transfer Agents at the address given below on all matters relating to transfer/ dematerialization of shares, payment of dividend and any other query relating to equity shares of the Company.

Registrar and Share Transfer Agents:

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,

Vikhroli West, Mumbai 400 083

Telephone : 022 4918 6270

Fax : 022 4918 6060

E-mail : rnt.helpdesk@linkintime.co.in

Members are requested to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters.

Members may contact the Compliance Officer at the following address:

Ms. Pushpalatha Katkuri

Company Secretary and Compliance Officer

106, 1st Floor, Ramanashree Arcade,

18, M.G. Road, Bangalore,

Karnataka – 560 001, India,

Telephone : 080-2559 0801

E-mail : shareholders@sisindia.com

Report on Corporate Governance (Contd.)

xiv. Shareholding as on March 31, 2023:

a. Distribution of equity shareholding as on March 31, 2023:

No. of equity shares held	Number of shareholders	% Shareholding	No. of shares held	% of Shareholders
1 – 500	38,908	94.11	22,82,587	1.57
501 – 1,000	1,225	2.96	8,91,940	0.61
1,001 – 2,000	532	1.29	7,57,776	0.52
2,001 – 3,000	204	0.49	5,16,099	0.35
3,001 – 4,000	80	0.19	2,80,200	0.19
4,001 – 5,000	67	0.16	3,05,928	0.21
5,001 – 10,000	146	0.35	10,24,982	0.70
10,001 and above	181	0.44	13,96,69,929	95.85
Grand Total	**41,343**	**100.00**	**14,57,29,441**	**100.00**

b. Categories of shareholding as on March 31, 2023:

Category	No. of shareholders	Number of equity shares held	% of holding
Promoters and Promoter Group- A	**10**	**10,43,20,451**	**71.59**
Public – B			
Domestic - B1			
Bodies Corporate	264	6,40,510	0.44
Mutual Funds	13	54,95,007	3.77
Alternate Investment Funds	3	4,01,918	0.28
Financial Institutions/ Banks	0	-	0.00
NBFCs registered with RBI	0	-	0.00
Central Government/State Government	0	-	0.00
Hindu Undivided Family	785	2,38,887	0.16
Other Individuals	39,142	79,87,661	5.48
Clearing Members	30	15,008	0.01
Trust	0	-	0.00
Directors and KMPs	5	8,44,983	0.58
Insurance Companies	0	-	0.00
IEPF	1	2,244	0.00
Total B1	**40,243**	**1,56,26,218**	**10.72**
Foreign- B2			
Foreign Nationals	2	35,33,452	2.42
Non-Resident (Non Repatriable)	0	-	0.00
Non-Resident Indians	1,023	4,61,758	0.32
Foreign Portfolio Investors	65	2,17,87,562	14.95
Total B2	**1,090**	**2,57,82,772**	**17.69**
TOTAL B (B1+B2)	**41,333**	**4,14,08,990**	**28.41**
Grand Total	**41,343**	**14,57,29,441**	**100.00**

c. Top ten equity shareholders of the Company as on March 31, 2023:

S. No.	Name of the shareholder	Number of equity shares held	% of holding
1.	Ravindra Kishore Sinha	5,71,63,671	39.23
2.	Rita Kishore Sinha	2,33,12,364	16.00
3.	Rituraj Kishore Sinha	1,56,58,482	10.74
4.	Smallcap World Fund, Inc	55,44,711	3.80
5.	Rivioli Sinha	47,26,250	3.24
6.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	39,26,956	2.69
7.	Vocational Skills Council India Private Limited	31,72,430	2.18
8.	Steinberg India Emerging Opportunities Fund Limited	30,00,000	2.06
9.	Malabar Select Fund	27,16,235	1.86
10.	Malabar India Fund Limited	22,75,219	1.56
	Total	**12,14,96,318**	**83.37**

xv. Dematerialization of shares and liquidity:

As on March 31, 2023, 14,56,40,227 equity shares representing 99.94% of the total equity share capital of the Company were held in dematerialized form.

The Promoters hold their entire equity shareholding in the Company in dematerialized form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE285J01028.

xvi. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding convertible instruments as on March 31, 2023 except employee stock options.

The Company has not issued any GDRs / ADRs / Warrants in the past and hence as on March 31, 2023 the Company does not have any outstanding GDRs / ADRs / Warrants.

xvii. Unclaimed dividends

Pursuant to Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 (seven) years from the date of transfer to unpaid dividend account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

The Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends /shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at https://sisindia.com/investor-information/.

Unpaid and unclaimed dividend/ shares up to the financial year 2015-16 have already been transferred to the said Fund. Details of unpaid/unclaimed dividend and equity shares for the financial year 2015-16 are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India ('MCA').

No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF, pursuant to the IEPF Rules. Shareholders can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making application in the manner provided in the IEPF Rules.

The Shareholders, who have so far not claimed the dividend for the financial year 2017-18, or any subsequent years, are requested to submit their claim to the Company's Registrar and Transfer Agent.

Ms. Pushpalatha K is the Nodal Officer to ensure compliance with IEPF Rules. Nodal Officer can be contacted at: Tel.: +91 80 2559 0801 or e-mail: shareholders@sisindia.com

The details of unpaid/unclaimed dividends for the year 2017-18 onwards are as under:

Date of declaration	Due Date for Transfer of Unpaid/ Unclaimed to IEPF
January 29, 2018	March 06, 2025
June 28, 2018	August 03, 2025
June 28, 2019	August 03, 2026
February 20, 2020	March 27, 2027

xviii. Commodity price risk or foreign exchange risk and hedging activities.

Information with respect to 'Foreign Currency Risk' is provided in the relevant notes to the financial statements.

Report on Corporate Governance (Contd.)

xix. Credit Ratings obtained for the debt instruments

Nature of Instrument	Name of Credit Rating Agency	Credit Rating Assigned
Non-Convertible Debentures	CRISIL Ratings Limited	AA- (Stable)

The Company redeemed the entire outstanding Non-Convertible Debentures of ₹ 1,900 Million on March 29, 2023.

xx. Statutory Auditors

SS Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) were appointed as the Statutory Auditors of the Company. The particulars of payment of fees to the Statutory Auditors, on consolidated basis for the financial year 2022-23 are provided below:

(₹ in Million)

Particular	Amount
Audit fee	3.15
Tax Audit	0.30
Total	**3.45**

xxi. Sexual Harassment

The Company is committed to provide a safe and conducive work environment to its employees and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The below table provides details of complaints received/ disposed during the financial year 2022-23.

No. of complaints pending at the beginning of the year	:	0
No. of complaints filed during the year	:	5
No. of complaints disposed-off during the year	:	5
No. of complaints pending at the end of the year	:	0

xxii. Compliance

The Certificate issued by Mr. Sudhir V Hulyalkar, Company Secretary in Practice, confirming that the Company has complied with the conditions of Corporate Governance is annexed to and forms part of this report.

CERTIFICATE ON DIRECTORS' APPOINTMENT AND CONTINUATION ON THE BOARD OF DIRECTORS OF SIS LIMITED

(In terms of Regulation 34(3) read with Para C, Sub Para 10 (i) of the Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015)

I have examined the relevant records of the SIS Limited (the Company) and disclosures made by the directors of the Company, relevant information on disqualification and proclaimed offenders as declared by Courts and disseminated on the website of Ministry of Corporate affairs, the Orders and other information available on the website of Securities and Exchange Board of India and the stock exchanges, Reserve Bank of India and information on willful defaulters as declared by the banks and made available on the web sites of credit information companies registered with the Reserve Bank of India and based on such examination, I hereby certify that none of the directors on the board of the Company as on March 31, 2023 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India and other statutory authorities.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No: 6040, CP No. 6137
Peer Review Certificate No. 607/2019
UDIN: F006040E000242012

Place: Bengaluru
Date: May 3, 2023

CERTIFICATION BY CEO AND CFO UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
SIS Limited

We, Rituraj Kishore Sinha, Managing Director and Devesh Desai, Chief Financial Officer hereby certify that:

a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 are fraudulent, illegal, or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) (i) There has not been any significant change in internal control over financial reporting during the year under review;

(ii) Any significant changes to the accounting policies during the year have been disclosed in the notes to the financial statements; and

(iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date: May 3, 2023

Rituraj Kishore Sinha
Managing Director

Devesh Desai
Chief Financial Officer

DECLARATION ON CODE OF CONDUCT

I, Rituraj Kishore Sinha, Managing Director of the Company, to the best of my knowledge and belief, confirm that all the members of the Board and senior management personnel have affirmed compliance with the code of conduct of the Company for the year ended March 31, 2023.

Place: New Delhi
Date: May 3, 2023

Rituraj Kishore Sinha
Managing Director

Report on Corporate Governance (Contd.)

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SIS Limited

I have examined the compliance of conditions of corporate governance, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by SIS Limited (the Company) for the year ended on March 31, 2023.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with all the applicable mandatory conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except:

1. Regulation 21(3C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied as one hundred and eighty days was elapsed by a day between two consecutive meetings of the Risk Management Committee.
2. Proviso to Regulation 17 (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied as there is no Independent Woman Director on the board of directors since the end of tenure of existing independent woman director on January 28, 2023.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

SUDHIR VISHNUPANT HULYALKAR
Company Secretary in Practice
FCS No: 6040, CP No. 6137
Peer Review Certificate No. 607/2019
UDIN: F006040E000241979

Place: Bengaluru
Date: May 3, 2023

Business Responsibility & Sustainability Reporting

Section A: General Disclosures

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L75230BR1985PLC002083
2.	**Name of the Listed Entity**	SIS Limited (the Company)
3.	**Year of incorporation**	1985
4.	**Registered office address**	Annapoorna Bhawan, Telephone Exchange Road, Kurji, Patna – 800010, Bihar
5.	**Corporate address**	A-28 & 29, Okhla Industrial Area, Phase 1, New Delhi – 110020
6.	**E-mail**	compliance@sisindia.com
7.	**Telephone**	011 4646 4444
8.	**Website**	www.sisindia.com
9..	**Financial year for which reporting is being done**	Financial Year 2022-23 (April 1, 2022 to March 31, 2023)
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited and National Stock Exchange of India Limited
11.	**Paid-up Capital**	₹ 72,86,47,205
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Ms. Pushpalatha K Company Secretary & Compliance Officer 106, Ramanashree Arcade, 18 M G Road, Bangalore - 560 001 Phone: 080 2559 0801 E-mail ID: compliance@sisindia.com
13.	**Reporting boundary** **Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	The disclosures under this report are made on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. no.	Description of main activity	Description of business activity	% of turnover of the entity (FY2022-23)
1	Investigation and security services	Investigation services by other than government agencies	97.59%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. no.	Product/Service	NIC Code	% of total turnover contributed
1	Investigation and security services	99852	97.59%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	183	183
International	Not applicable	19	19

Business Responsibility & Sustainability Reporting (Contd.)

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan-India (28 States and 4 Union Territories)
International (No. of Countries)	3*

The Company also serves in the following countries: Singapore, New Zealand and Australia

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

The Company has diversified clients across B2B, B2G and B2C businesses.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			Employees			
1.	Permanent (D)	2,442	2,331	95%	111	5%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total employees (D + E)**	**2,442**	**2,331**	**95%**	**111**	**5%**
			Workers			
4	Permanent (F)	155,124	144,614	93%	10,510	7%
5	Other than Permanent (G)	0	0	0%	0	0%
6	**Total workers (F + G)**	**155,124**	**144,614**	**93%**	**10,510**	**7%**

b. Differently abled Employees and workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			DIFFERENTLY ABLED EMPLOYEES			
1.	Permanent (D)	Nil				
2.	Other than Permanent (E)					
3.	**Total differently abled employees (D + E)**					
			DIFFERENTLY ABLED WORKERS			
4.	Permanent (F)	Nil				
5.	Other than permanent (G)					
6.	**Total differently abled workers (F + G)**					

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	3	1	33.33%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.6%	19.9%	22.5%	15.1%	21.4%	15.4%	15.2%	18.8%	15.3%
Permanent Workers	35.3%	41.6%	35.7%	34.3%	43.7%	34.9%	43%	37.9%	42.7%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding/Subsidiary/Associate Company/Joint Venture	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Service Master Clean Limited	Subsidiary	100%	No
2.	Tech SIS Limited	Subsidiary	100%	No
3.	Terminix SIS India Private Limited	Subsidiary	100%	No
4.	SIS Business Support Services Private Limited	Subsidiary	100%	No
5.	Dusters Total Solutions Services Private Limited	Subsidiary	100%	No
6.	SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)	Subsidiary	100%	No
7.	SLV Security Services Private Limited	Subsidiary	100%	No
8.	Rare Hospitality and Services Private Limited	Subsidiary	100%	No
9.	Uniq Security Solutions Private Limited	Subsidiary	100%	No
10.	Uniq Detective and Security Services (AP) Pvt . Ltd.	Subsidiary	100%	No
11.	Uniq Detective and Security Services (Tamilnadu) Private Limited	Subsidiary	100%	No
12.	Uniq Facility Services Private Limited	Subsidiary	100%	No
13.	SIS Alarm Monitoring and Response Services Private Limited	Subsidiary	100%	No
14.	ADIS Enterprises Private Limited	Subsidiary	100%	No
15.	ONE SIS Solutions Private Limited	Subsidiary	100%	No
16.	SIS Security International Holdings Pte. Ltd. (Formerly known as SIS International Holdings Limited)	Subsidiary	100%	No
17.	SIS Security Asia Pacific Holdings Pte. Ltd. (Formerly known as SIS Asia Pacific Holdings Limited)	Subsidiary	100%	No
18.	SIS Australia Holdings Pty Ltd	Subsidiary	100%	No
19.	SIS Australia Group Pty Ltd	Subsidiary	100%	No
20.	SIS Group International Holdings Pty Ltd	Subsidiary	100%	No
21.	MSS Strategic Medical and Rescue Pty Ltd	Subsidiary	100%	No
22.	SIS MSS Security Holdings Pty Ltd	Subsidiary	100%	No
23.	MSS Security Pty Ltd	Subsidiary	100%	No
24.	Australian Security Connections Pty Ltd	Subsidiary	100%	No
25.	Southern Cross Protection Pty Ltd	Subsidiary	100%	No
26.	Askara Pty Ltd	Subsidiary	100%	No
27.	Charter Security Protective Services Pty Ltd	Subsidiary	100%	No
28.	Platform 4 Group Limited	Subsidiary	100%	No
29.	SIS Henderson Holdings Pte Ltd	Subsidiary	100%	No
30.	Henderson Security Services Pte Ltd	Subsidiary	100%	No
31.	Henderson Technologies Pte Ltd	Subsidiary	100%	No
32.	Triton Security Services Limited	Subsidiary	100%	No
33.	Safety Direct Solutions Pty Ltd	Subsidiary	85%	No
34.	Safety Direct Solutions Pty Ltd NZ	Subsidiary	85%	No
35.	SIS Cash Services Private Limited	Joint Venture	49%	No
36.	SIS Prosegur Holdings Private Limited	Joint Venture	100% held by SIS Cash Services Private Limited	No
37.	SIS Prosegur Cash Logistics Private Limited	Joint Venture	100% held by SIS Prosegur Holdings Private Limited	No
38.	Habitat Security Pty Ltd	Joint Venture	49%	No

Business Responsibility & Sustainability Reporting (Contd.)

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes

(ii) Turnover (in ₹) – ₹ 39,848.72 Million

(iii) Net worth standalone basis (in ₹) – ₹ 9,466.52 Million

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles

(Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Not Applicable	-	-	-	-	-	-
Investors (Other than shareholders)	Yes Stakeholder Relationship Policy (https://sisindia.com/wp-content/uploads/2023/02/Stakeholder-Relationship-Policy.pdf) Investor Grievance Redressal Policy (https://sisindia.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy.pdf) Whistleblower Policy (https://sisindia.com/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf)	0	0	No complaint received during the year	0	0	-
Shareholders	Yes Stakeholder Relationship Policy (https://sisindia.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy.pdf) Whistleblower Policy (https://sisindia.com/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf)	0	0	No complaint received during the year	2	0	-
Employees and workers	Yes Whistleblower Policy (https://sisindia.com/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf)	0	0	No complaint received during the year	0	0	-
Customers	Yes Stakeholder Relationship Policy (https://sisindia.com/wp-content/uploads/2023/02/Grievance-Redressal-Policy.pdf) Whistleblower Policy (https://sisindia.com/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf)	0	0	No complaint received during the year	0	0	-
Value Chain Partners	Yes Stakeholder Relationship Policy (https://sisindia.com/wp-content/uploads/2023/02/Stakeholder-Relationship-Policy.pdf) Whistleblower Policy (https://sisindia.com/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf)	0	0	No complaint received during the year	0	0	-
Other (please specify)		-					

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Our People	Opportunity	The company offers investigation and security services with 2,442 employees and 155,124 workers. A solid base of talented workforce allows the company to foster innovation, improve service delivery, and increase customer happiness.	-	Positive With a talented and satisfied workforce, the Company can enhance its service delivery improving customer satisfaction and the business financials.
2.	Health and Safety	Risk	The Company is a people-driven business with a wide workforce base and ensuring the health and safety of our employees is of paramount importance to us.	**Safe Environment:** The Company provide a secure and best-in-class workspace for our employees. **Safety Protocols:** The Company ensures access to all safety related facilities for its employees, as prescribed by the Central Government, along with training and counselling sessions for emotional wellbeing of the employees and workers. **Safety Committee:** The Company has formed an organizational safety committee to ensure strict implementation of safety protocols at the workplace. Additionally, regular audits are conducted to overcome operational gaps, if any. **Safety Training:** The Company regularly conducts mandatory safety training sessions on safety protocols for its employees to avoid any workplace accidents thus ensuring complete participation. The Company also invests in continuous upgrade of its training programs and ensures maximum outreach through mobile training vans. The safety course is also available on the mobile training app, the completion of which is mandatory for all employees. IOHS training is also provided to the employees.	Negative Reputational damage due to incidents from unsafe working conditions. Financial loss due to workforce loss and/or absenteeism, which will ultimately result in the loss of valuable customers because the company will not have the requisite human capital to meet customer expectations.
3.	Customer Engagement	Opportunity	The continuous growth of any organisation is dependent on offering an exceptional client experience. A pleasant customer experience promotes loyalty, customer retention, and brand advocacy	-	Positive A positive customer experience can lead to increased satisfaction among existing customers, more customers and can also boost the company's reputation.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
		Risk	The company offers investigation and security services to its consumers; any negative customer experience may result in loss of clients or even damage to the company's reputation.	Understanding customers and driving continual change to provide a flawless experience has always been the Company's goal. In daily activities, such as dealing with customers, ethics, transparency, and accountability are a priority and firmly ingrained in the Company's way of working. The Company handles customer complaints efficiently and effectively in order to provide a better customer experience. The Company also makes it a point to offer products and services that satisfy the demands of customers and improves the overall customer experience.	Negative Customer attrition can result from a loss of reputation, affecting the Company financials

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	N	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	N	N	Y	Y
c. Web Link of the Policies, if available	https://sisindia.com/investors/policies-and-code-of-conduct								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	N	N	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	N	N	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	ISO 9001:2015 and ISO 45001:2018								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N	N	N	N	N	N	N	N	N

Governance, leadership and oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

Our business adheres to incorporate sustainability concepts, which have also influenced our aim to create a long-lasting organisation that meets consumers' needs for security and long-term interests. One of our top priorities is conducting business in a way that is ethical and sustainable. Our goal is to build resilient livelihoods, especially for the most underprivileged members of society, while working towards a brighter future. Over the years, we have helped Millions of families by providing hundreds of thousands of jobs, and we have made sure that all of our staff members receive life skills training through our internal training institutes. Our mission statement, "Inspiring people through our values and vision," strives to improve societal welfare programmes based on the short- and long-term social and environmental effects of the Group's operations.

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies**

Name: Mr. Ravindra Kishore Sinha

Designation: Chairman

E-mail Id: shareholders@sisindia.com

Telephone No. 011- 4646 4444

9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

The company does not have any specific committee for looking after sustainability related issues. However, Group Management Committee members generally take decision on sustainability related matters. Additionally, the Board has an overall responsibility for oversight of the Company's Sustainability & ESG strategy

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	N	N	Y	Y	The Board has formulated the policies applicable to the Company. The policies are reviewed annually, wherever applicable.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Compliance Certificate on applicable laws is provided to the Board of Directors in every quarter meeting. The Company is in full compliance of the applicable laws.									All the policies have been formulated in consultation with the Management of the Company and are approved by the Board and the policies are in compliance with respective applicable regulations.								

11.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No. All policies and processes are subject to audits and internal reviews conducted by the Company from time to time. All Policies of the Company are evaluated and reviewed internally as and when required.								

12. **If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	We are baselining our environmental performance and the current systems and processes ensure minimizing impact on the environment	Our senior management engages on multiple forums to contribute towards policy development, in consensus with the stakeholders		

Business Responsibility & Sustainability Reporting (Contd.)

Section C: Principle wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Business Updates, Strategy, Update on Risk Management Framework, Update on Cyber Security and Business Continuity Plan, Policies and Procedures, Governance and Key Regulatory developments.	95.65%
Key Managerial Personnel	4	Business Updates, Strategy, Update on Risk Management Framework, Update on Cyber Security and Business Continuity Plan, Policies and Procedures, Governance and Key Regulatory developments.	100%
Employees other than BoD and KMPs	1371	Mr. SIS training (Principles 1, Principle 3 and Principle 9) Welfare sessions (Principle 3) POSH training (Principles 5 and Principle 8)	59%
Workers	79416	Trainings on Principle 2, Principle 5 and Principle 8	100%

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary

	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	None	Nil	None	Not applicable
Settlement	Nil	None	Nil	None	Not applicable
Compounding fee	Nil	None	Nil	None	Not applicable

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	None	None	Not applicable
Punishment	None	None	None	Not applicable

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes.

The Company and its subsidiaries have zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all of its business dealings through necessary policies.

The Company has a Business Ethics policy (https://sisindia.com/wp-content/uploads/2023/05/SIS-Business-Ethics-Policy-.pdf) which contains guidelines on Bribery and Corruption. The Policy strictly prohibits any form of corruption or bribery in its business operations. This includes offering, giving, receiving, or soliciting bribes, kickbacks, or any other improper payments or gifts to or from any person or entity, including but not limited to government officials, business partners, or customers. The company is committed to fair competition and does not engage in any anti-competitive practices, such as collusion, price-fixing, bid-rigging, or market manipulation, that could result in unfair advantages or harm to competitors, customers, or the market. Employees and their relatives are not permitted to provide or accept bribes in the form of gifts, cash, facilities, or any other form, either directly or indirectly, according to the policy.

The Company also mandates its employees to sign Declaration Form which prohibits the employees to neither seek nor derive any personal benefits on any transactions being carried out by them during the course of discharging their responsibilities.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

No complaints have been received in relation to issues of Conflict of Interest of the Directors and in relation to issues of Conflict of Interest of the KMPs during the reporting period.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable as there were no instances of corruption or conflict of interest.

Business Responsibility & Sustainability Reporting (Contd.)

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	None	

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Yes.

   The Company has in place a policy on Conflict of Interest which applies to all employees and members of the Board of Directors and other stakeholders including but not limited to employees, suppliers, vendors, partners, consultants, third parties who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to the Company or any of its subsidiaries and affiliates.

   The policy contains the procedure for identification of potential conflict of interest, disclosure and managing of conflict of interest to the Board and reporting procedure. In case of any conflict of interest arising at the time of empanelment or during engagement, stakeholders are required to promptly disclose such situations to the Company.

   The policy can be accessed at - https://sisindia.com/policies-and-code-of-conduct/ .

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Not Applicable	NIL	-
Capex	Not Applicable	NIL	-

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
   No

   b. **If yes, what percentage of inputs were sourced sustainably?**
   Not Applicable.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Not Applicable

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
			Not Applicable		

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
	Not Applicable	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
	Not Applicable	

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste			Not Applicable (The Company is primarily engaged in the business of security services and so this is not applicable to the Company)			
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable (The Company is primarily engaged in the business of security services and so this is not applicable to the Company)	

Business Responsibility & Sustainability Reporting (Contd.)

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	2,331	2,331	100%	2,331	100%	-	-	-	-	-	-
Female	111	111	100%	111	100%	111	100%	-	-	-	-
Total	**2,442**	**2,442**	**100%**	**2,442**	**100%**	**111**	**5%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	144,614	144,614	100%	144,614	100%	-	-	-	-	-	-
Female	10,510	10,510	100%	10,510	100%	10,510	100%	-	-	-	-
Total	**155,124**	**155,214**	**100%**	**155,124**	**100%**	**10,510**	**7%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes (EPFO)	100%	100%	Yes (EPFO)
Gratuity	100%	100%	Yes (LIC)	100%	100%	Yes (LIC)
ESI	100%	100%	Yes (ESI)	100%	100%	Yes (ESI)
Others – please specify	100%	100%	Yes (Sewa Trust)	100%	100%	Yes (Sewa Trust)
Others – please specify	100%	100%	Yes (Mediclaim Insurance)	100%	100%	Yes (Mediclaim Insurance)

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

Ramps are installed in various locations of the Company to facilitate the movement of differently abled persons. The majority of offices are in commercial buildings with lifts and equipment for people with disabilities.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

No.

SIS has a Business Ethics Policy, and the Company is committed to provide fairness in employment opportunities and has zero tolerance towards discrimination of any kind. We make employment decisions on the basis of an individual's merits and company needs. Additionally, equal opportunity is provided for career advancement and no decisions are influenced by considerations other than employee's performance, ability and aptitude. Employees are also provided with the opportunity to develop their potential and to develop their careers further with the company through a transparent & scientific Performance Management process.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Yes

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	The Company is committed to provide a safe and positive work environment. The Company has a Grievance Redressal Cell for the employees to register and redress their concerns. Redressal of employee grievances is presently being addressed by Employee Relationship Cell (ERC) through Helpline No. 06122216004. Additionally, employees at the company are free to bring up and discuss personal matters with their managers, business leaders, or human resource (HR) managers.
Other than Permanent Workers	Not applicable
Permanent Employees	The Company is committed to provide a safe and positive work environment. The Company has a Grievance Redressal Cell for the employees to register and redress their concerns. Redressal of employee grievances is presently being addressed by Employee Relationship Cell (ERC) through Helpline No. 06122216004. Additionally, employees at the company are free to bring up and discuss personal matters with their managers, business leaders, or human resource (HR) managers.
Other than Permanent Employees	Not applicable

Business Responsibility & Sustainability Reporting (Contd.)

7. Membership of employees and worker in association(s) or Unions anitized by the listed entity:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees /workers in respective category (I)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Nil					
- Male						
- Female						
Total Permanent Workers	Nil					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (I)	% (C/A)		No. (I)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,331	2,331	100%	2,331	100%	2,155	2,155	100%	2,155	100%
Female	111	111	100%	111	100%	110	110	100%	110	100%
Total	**2,442**	**2,442**	**100%**	**2,442**	**100%**	**2,265**	**2,265**	**100%**	**2,265**	**100%**
Workers										
Male	144,614	144,614	100%	144,614	100%	132,888	132,888	100%	132,888	100%
Female	10,510	10,510	100%	10,510	100%	8,808	8,808	100%	8,808	100%
Total	**155,124**	**155,124**	**100%**	**155,124**	**100%**	**141,696**	**141,696**	**100%**	**141,696**	**100%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (I)	No. (D)	% (D/C)
Employees						
Male	2,331	2,331	100%	2,155	2,155	100%
Female	111	111	100%	110	110	100%
Total	**2,442**	**2,442**	**100%**	**2,265**	**2,265**	**100%**
Workers						
Male	144,614	144,614	100%	132,888	132,888	100%
Female	10,510	10,510	100%	8,808	8,808	100%
Total	**155,124**	**155,124**	**100%**	**141,696**	**141,696**	**100%**

10. Health and safety management system:

a. *Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?*

Yes

The Company is dedicated to providing a safe and healthy work environment by reducing the likelihood of accidents, injuries, and health concerns, and it complies with all applicable laws and regulations regarding workplace safety.

SIS places the highest priority on promoting the health and safety of its employees whilst at work. We promote a positive workplace where all employees feel safe and protected from harm. We sincerely believe that only then can employees be at their best and effectively contribute to the company's success. To help the company meet this objective, all employees are expected to:

- Follow all laws, regulations and company policies regarding workplace health and safety.
- Attend any training sessions before using equipment that requires training.
- Use protective equipment, clothing and other safety devices for work as required.
- Report to Client representative or controlling authority any unhealthy or unsafe situations that you encounter.
- Never use or remain under the influence of illegal drugs when on duty. Ensure any use of alcohol is restrained and limited to company social functions and approved by company management.
- Ensure that any medications you use will not interfere with your job duties and especially with operating equipment or vehicles.

b. *What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?*

The Operation teams are responsible for site service to identify work related hazards and assess risks on a continuous basis. The company also works with key stakeholders to understand and review existing operating procedures, identify gaps, and make control-focused recommendations to help define management action plans, including roles and implementation dates. Furthermore, hazard identification is a continual process that is carried out on a regular basis by the HR and Operations teams.

c. *Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.*

Yes

The Company has established processes for workers to report the work-related hazards and to remove themselves from such risks. Employees and workers can report the issues to their respective site managers, operations managers, branch heads, regional heads and company leadership team.

d. *Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?*

Yes

The Company provides access to non-occupational medical and healthcare services to employees and workers. SIS Limited has always maintained its core value of 'People focus' and has been generously investing in employee welfare schemes. A healthy employee is the most valuable asset to the company and hence wellness of each employee remains its top priority.

- **Association with 'Practo' for all employees of SIS Group Companies:** SIS Group Enterprises has partnered with Practo for a large-scale Corporate Wellness Program for its employees posted pan-India, a health plan specially curated for employees of SIS Group and their families (1+6 members).
- **Association with Zyla Health w.r.t Preventive Healthcare for Office Staff:** SIS Group Enterprises has partnered with Zyla health, India's leading preventive health care management platform exclusively for Office Staff of SIS Group Companies pan-India. Zyla Health provides preventive full body health check-ups in office/ at home, outcome-driven concierge care, personalized wellness through follow-up calls by highly experienced doctors, thus enabling continuous 24x7 care across medical, physical, and mental health needs of employees and their families.
- **Group Mediclaim Insurance Policy:** Separate Group Mediclaim Policies for all backend Office Support Staff/ non billing employees as well as the Security personnel deployed at client location whose salaries are above ESIC threshold. Thus, enabling the company to facilitate medical coverage to employees and their dependent families in a cost-effective manner on pan-India basis.

Business Responsibility & Sustainability Reporting (Contd.)

- **Group Mediclaim Insurance Post Superannuation of Non-Billing Employees:** The existing provisions of Group Mediclaim Insurance to non-billing employees and their families has now been extended to the employees who will superannuate from the services of the company. The Mediclaim benefit will be extended on payment of premium rate by the superannuated employee as made by the Company every year after expiry of the running Mediclaim policy.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company's business is people driven and ensuring the health and safety of employees is paramount to the Company. The Company provides a secure and best-in-class workspace for our employees, ensures access to all welfare facilities for our employees as prescribed by the Central Government along with training and counselling of employees on emotional well-being, formed a sanitization safety committee to ensure strict implementation of safety protocols at the workplace. The Company has also adopted a policy for conducting webinars for physical and mental well-being of employees.

The Company also conducts periodic risk assessments of the workplace to identify any work-related hazards, implements corrective actions, conducts fire evacuation drills and has installed fire suppressants in the office premises, performs maintenance checks on fire safety equipment, has first aid kits installed, and has CCTVs installed at all key locations. In addition, all personnel receive annual safety training.

13. Number of complaints on the following made by employees and workers

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Nil
Working Conditions	Nil

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Yes (Employees)

(B) Yes (Workers)

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company ensures that statutory dues as applicable to the transactions within the remit of the Company are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	-	-	-	-
Workers	-	-	-	-

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

The Company provides requisite training to its employees for continued employability. On a case-to-case basis, certain employees are offered part time/full time contracts with the Company after retirement/superannuation. Additionally, we also provide consultancy option to employees who are being superannuated on contractual basis

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	Not Applicable
Working conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable

Business Responsibility & Sustainability Reporting (Contd.)

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company has in place the Stakeholder Relationship Policy (https://sisindia.com/wp-content/uploads/2023/02/Stakeholder-Relationship-Policy.pdf) to identify, engage and establish relations with Stakeholders. In order to seek and address stakeholder perspectives, build trust and develop partnerships and make use of stakeholder capital, it is essential to have a strategic approach toward working with stakeholders.

   Identifying who are the key stakeholders and their interest, level of expertise, and level of influence, is crucial to successful stakeholder engagement and to allocating Company resources as efficiently as possible. Therefore, we assess and prioritize stakeholders using the following criteria:

   - Stakeholder's interests
   - Stakeholder's level of influence
   - Stakeholder's willingness to engage with the group
   - Stakeholder's expectations of engagement with the group
   - Value for the group of engaging with this stakeholder

   Some of the key stakeholders group include shareholders/investors, employees, suppliers/vendors, Central and State Government, customers, community, local bodies, etc. The identification of all pertinent stakeholders and understanding their expectations is of high concern for us in our pursuit to ensure sustainability. The policy provides for the stakeholder engagement process which includes stakeholder identification, consultation, reporting and communication. The approach and frequency of the engagement with the stakeholders vary depending on the stakeholders. In addition, respective departments engage with their specific stakeholder groups on need and on a regular basis.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	Emails, one-on-one meetings, conference calls, video conferencing, websites	Need based	Purpose of such engagements is to keep various regulatory authorities informed and up to date about the various developments going on in the organization to fulfill the compliance requirement.
NGOs and local community	Yes	Field visits and community meetings, Emails	Need based	To promote social welfare activities for inclusive growth, fair and equitable development, well-being of society and monitoring & implementing the CSR projects and activities
Employees	No	Direct, email, town halls, team meetings, intranet portal, annual performance reviews	Ongoing and need based	Purpose of such engagements is to keep employees up to date on various initiatives of the organization. With this communication we also reach out to all employees to educate them on various policies, learning and development programs, performance review and career development, company SOPs as well as milestones.
Customers	No	Emails, branch assistance, website, advertisements, newspaper and other digital platforms, customer helplines and toll-free numbers, customer satisfaction surveys	Need basis	Servicing throughout the lifecycle of the customer and address queries / grievances that customers may have
Suppliers	No	Physical and digital including in-person meetings, emails, performance discussions, trainings, company policy/ process communication, periodical meets/conferences, etc.	Need basis	Resolving supplier queries, Assessing supplier performance, Supplier recognition and engagement activities
Institutional Investors	No	Website, meetings, emails, Annual Reports, Investor presentations, Stock exchanges, newspaper, etc.	Ongoing and need based	These are aimed at providing relevant information as well as understanding institutional investors' perspectives on the Company's performance and strategy
Shareholders	No	Website, meetings, emails, Annual Reports, Investor presentations, Stock exchanges, newspaper, etc.	Quarterly	Business and operational performance, shareholder meetings, election of board members etc.
Media	No	Newspaper, advertisement, email, annual reports, website, transcripts conference and other meetings	Need basis	To stay abreast on the developments of the Company

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The company is determined that engaging with its principal stakeholders consistently will improve communication of its performance and strategy. The Company recognizes that effective stakeholder engagement is an essential component of its business operation to be undertaken at business and site level. It is an important mechanism to understand stakeholders and their needs, involve them in managing risks and resolving conflicts at an early stage. The stakeholder engagement process involves a variety of activities such as stakeholder identification, consultation, reporting and communication. The approach and frequency of the engagement with the stakeholders vary depending on the stakeholders. In addition, respective departments engage with their specific stakeholder groups on need and a regular basis.

   Link to Stakeholder Relationship Policy: https://sisindia.com/wp-content/uploads/2023/02/Stakeholder-Relationship-Policy.pdf

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes

   Continuous interaction with stakeholders, aids in the alignment of expectations, allowing the company to better serve its stakeholders. Personnel from the Company connect with diverse stakeholders to understand the evolution and importance of ESG subjects, their impact, and the Company's aspirations.

   Through SEWA Trust, the Company supports its employees by providing financial assistance during crisis situations. The Company has a facility whereby meritorious students of the Company's employees are provided with scholarships by Indian Public School, a residential school in Dehradun

   Through employee engagement surveys and feedbacks, the Company designs required training and development modules for skill upgradation of its employees.

Business Responsibility & Sustainability Reporting (Contd.)

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   SIS supports its vulnerable frontline workforce, and also the non-billable work force by providing financial assistance during crisis situations. The guidelines have been laid down to make for sustainable and beneficial engagement with the society and the environment in which the Group operates. We aim at enhancing welfare measures of the society based on the immediate and long term social and environment consequences of the Group's activities. We have specified the projects and programmes that can be undertaken, directly or indirectly, the modalities of execution and the monitoring thereof. We have an immense impact on the Millions of families that directly benefit from the livelihoods that we support and the jobs that we create every year.

   Through its CSR programs, the company has undertaken many initiatives and activities for the benefit of various segments of society, with an emphasis on the impoverished, needy, deprived, under-privileged, and differently abled people.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (I)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2,442	2,442	100%	2,265	2,265	100%
Other than permanent	0	0	0	0	0	0
Total employees	**2,442**	**2,442**	**100%**	**2,265**	**2,265**	**100%**
Workers						
Permanent	155,124	155,124	100%	141,696	141,696	100%
Other than permanent	0	0	0	0	0	0
Total employees	**155,124**	**155,124**	**100%**	**141,696**	**141,696**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (I)	% (C/A)		No. (I)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2,442	0	0	2,442	100%	2,265	0	0	2,265	100%
Male	2,331	0	0	2,331	100%	2,155	0	0	2,115	100%
Female	111	0	0	111	100%	110	0	0	110	100%
Other than permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	155,124	155,124	100%	0	0	141,696	141,696	100%	0	0
Male	144,614	144,614	100%	0	0	132,888	132,888	100%	0	0
Female	10,510	10,510	100%	0	0	8,808	8,808	100%	0	0
Other than permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	₹ 30,07,500	2	₹ 6,00,000
Key Managerial Personnel	2	₹ 90,48, 780	1	₹ 44,53,757
Employees other than BoD and KMP	2,329	₹ 3,51,000	110	₹ 4,24,800
Workers	144,614	₹ 1,96,908	10510	₹ 2,09,136

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes. The Company has an Employee Redressal Cell which oversees handling every aspect of employee grievance issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   Reporting avenues have been provided for employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of the Company Code, Policies or law. Representations received are reviewed and appropriate action is taken on substantiated violations.

   The Company has zero tolerance towards and prohibits all forms of child labour, slavery, forced labour, physical, sexual, psychological, or verbal abuse.

   Additionally, the Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

   No complaints were received in the matters relating to child labour, forced labour, involuntary labour.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	5	0	-	4	0	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	8,374	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company constituted an "Internal Complaint Committee" in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for prevention, prohibition, and redressal of sexual harassment at workplace. The Committee primarily enquires into complaints received, and recommends appropriate action, wherever required. The Company deals confidentially on the concerns raised regarding discrimination and harassment cases. The Company does not tolerate any form of retaliation against anyone reporting good faith concerns. SIS provides a work environment to all of its employees which is free from any type of discrimination and sexual harassment. The Company has an Employee Redressal Cell ("ERC") for registration and redressal of complaints. However, if an employee has a concern that he/she is not comfortable raising matter with ERC, or the raised complaint is not addressed properly then such employee may directly approach the management of the Company. During the year, no such instances were reported.

Business Responsibility & Sustainability Reporting (Contd.)

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   No

9. **Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil*
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

** The Company is in compliance with the laws, as applicable*

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    Not Applicable

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   Not Applicable.

2. **Details of the scope and coverage of any Human rights due-diligence conducted**

   Not Applicable

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Ramps are installed in various locations of the Company, to facilitate the movement of differently abled persons. The majority of offices are in commercial buildings with lifts and equipment for people with disabilities.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Not Applicable
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	11,528.34 GJ	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (I)	-	-
Total energy consumption (A+B+C)	**11,528.34 GJ**	**-**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	2.893 GJ/₹ Crores	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)	Not Applicable since company is providing security services to the client sites.	Not Applicable since company is providing security services to the client sites.
(i) Surface water		
(ii) Groundwater		
(iii) Third party water (Municipal water supplies)		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (I + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Not applicable

Business Responsibility & Sustainability Reporting (Contd.)

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Nox		Not Applicable	Not Applicable
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – Ozone Depleting Substances (HCFC – 22 or R-22)			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	*FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	-	-	-
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	2,529.83	¬-
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO_2e/₹ Crores	0.635	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes.

The Company has inducted CNG based vehicles for day-to-day operations in select places and select locations. The Company has aligned the fleet to the latest BSVI standards and are rapidly converting existing fleet to conform to these standards, worked to deploy electric cash vehicles (ECVs), conducted regular driver trainings to ensure fuel efficiency of the CVs, in addition to keeping emissions under control, fixed a kilometer per liter (KPL) of fuel target for each CV, depending on its age, condition and terrain where the CV is being driven. The Company has managed all the electrical equipment in a manner so that they help in conserving energy. The Company has initiated installation of LED lights in new and upcoming branches wherever possible. The Company is also in the process of replacement of existing lights with LED lights in a phased manner. Also, the Company is procuring 5-star rated equipment like ACs, laptops, etc. for improved energy efficiency.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	0.75	-*
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any.	-	-
(Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	**0.75**	**-**

** The Company initiated tracking the e-waste generation data from FY 2022-23 onward.*

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	-	-
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

SIS is a security services organization and does not manufacture physical products and therefore does not use any hazardous or toxic chemicals in any of its processes. However, we segregate the waste at our offices based on directions of local municipal offices and engage with certified e-waste handlers for disposal of e-waste.

Business Responsibility & Sustainability Reporting (Contd.)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable (Our offices are situated at common business locations. We do not have offices around the specified sensitive areas hence such type of clearances is not required)			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable (We are not required to undertake any impact assessment of projects undertaken by the Company)					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is fully compliant with the applicable environmental law / regulations / guidelines in the places where we operate.				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources I	-	-
Total energy consumed from renewable sources (A+B+C)	**-**	**-**
From non-renewable sources		
Total electricity consumption (D)	11528.34 GJ	-
Total fuel consumption I	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**11528.34 GJ**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		

Business Responsibility & Sustainability Reporting (Contd.)

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
(i) Into Surface water	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)	Not applicable (The Company has small offices which are part of large commercial spaces and so not feasible to measure the same)
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	*FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)			
Total Scope 3 emissions per rupee of turnover		-	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not applicable

   We operate only from small offices which are part of large commercial spaces. We believe there is no direct or indirect impact on biodiversity.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		Not Applicable	

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the Company has a Disaster Recovery Plan Policy which is a part of the Information, data & cyber security policy which is internal to the Company. This policy defines the requirement for a baseline Backup procedure of critical and non-critical data and disaster recovery plan to be developed and implemented by SIS Group IT that will describe the process to recover IT Systems, Applications and Data from any type of disaster that causes a major outage. This policy is directed to the IT Management Staff who is accountable to ensure the plan is developed, tested and kept up to date.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   None, as the business model of the Company does not have adverse impact on the environment. Since we have a small number of value chain partners, it is not feasible to assess the impact.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Nil

Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations.** 7 (Seven)

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	International Security Ligue	International
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Indo Australian Chamber of Commerce	National
4	Confederation of Indian Industry	National
5	BW Business World Media Private Limited	National
6	International Institute of Security & Safety Management	National
7	Bihar Industries Association	State

2. **Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

   There have been no action or issues related to anti-competitive conduct and no adverse orders from any authority during the FY23.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
			Not Applicable		

Business Responsibility & Sustainability Reporting (Contd.)

Please note: The Company is a member of various national and international trade and industry chambers/ associations such as, International Security Ligue, FICCI, Indo Australian Chamber of Commerce, Confederation of Indian Industry, etc. and our senior management engages on multiple forums to contribute towards policy development, in consensus with the stakeholders

Principle 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The nature of our activities does not have a negative impact on the immediate local community. The Company aims to elevate lives through strategic interventions in the areas we operate by way of providing a safe and clean work environment; touching Millions of lives every day through our business units; helping people in need through promoter initiatives by way of promoting education, providing relief to poor, offering shelter, social welfare, betterment of health, rural development, national heritage protection, etc.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	100%	100%
Sourced directly from within the district and neighboring districts	Not Applicable	Not Applicable

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1.	Madhya Pradesh	Khandwa	6,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
The details of the CSR projects forms part of annexure to the Board's Report. Please refer Annexure – I			

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Own Your Customer (OYC) programme: All significant clients have been assigned to senior level leadership teams. Each Regional Head, Executive Director of each Region, Zonal Head, CEO, and COO are members of the Senior Leadership team, and 5–10 of these customers are assigned to each of them. They must meet with these clients as part of the OYC programme, get their feedback, and inform them on the actions made in response to the feedback they provided at the previous month's meeting.

Customer Satisfaction (CSAT) programme: Every month, each Branch Head is tasked with meeting 10 to 15 of the branch's most important clients. They also need to meet with these clients, get their input, and provide an update on the steps done in response to the feedback from the previous month's meeting.

Customer Half Yearly Survey: Every six months, GMD office staff sends all of our big clients an email with a link to a survey asking them to rate and comment on various performance metrics. The Centralised Quality Control team receives the survey responses immediately, analyses them, and shares the results with other company stakeholders so that they can make recommendations and take remedial action as necessary. Based on the customer feedback survey, the Company has an average feedback rating of 8.6/10.

The goal of the aforementioned programmes is to improve customer relationships and win their trust and confidence by taking a proactive approach to understand the customer problems and acting appropriately.

Business Responsibility & Sustainability Reporting (Contd.)

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive						
Trade Practices	-	-	-	-	-	-
Unfair Trade						
Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not applicable	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes

The Company has an Information, Data & Cyber security policy which is an internal document and is available in intranet. The Company has also established an information security council to provide management support for information security objectives within the SIS Group and strive to develop and implement relevant and cost-effective information, data & cyber security controls.

The Information, data & cyber security policy covers the following policies:

Information security policy:

- Database security policy
- Data retention policy
- Software installation policy
- Technology equipment disposal policy
- Workstation security policy
- Wireless communication policy
- Mobile employee endpoint responsibility policy
- Outsourcing policy

Cyber security policy:

- Server security policy
- Web/Mobile application security policy
- Clean desk policy
- Data breach response policy
- Disaster recovery policy
- Password protection policy
- Security response plan policy
- Remote access policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information relating to all the services provided by the Company are available on the Company's website, www.sisindia.com. In addition, the Company actively uses various social media and digital platforms to publicize information on its services.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not Applicable

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

We regularly engage with customers and notify them through local branches/regional managers, electronic communications or through the Corporation's website and pro-actively advise them in case of potential disruption of our services due to reasons beyond their control. However, the Company has a business continuity plan in place to ensure the customer service is uninterrupted.

Internal communications of cybersecurity shared and informed on time-to-time basis. All websites' Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Not Applicable

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

5. **Provide the following information relating to data breaches:**

   a. ***Number of instances of data breaches along-with impact***

   None. No such instance was reported by the Company

   b. ***Percentage of data breaches involving personally identifiable information of customers***

   0%

Management Discussion and Analysis

Global economic review

The global economy is experiencing a broad-based and sharper-than-expected slowdown, with inflation at its highest in decades. The COVID-19 pandemic, financial tightening, Russia's invasion of Ukraine, and the cost-of-living crisis are contributing to the economic challenges. Global growth is forecast to slow significantly in the coming years, with advanced economies expected to be impacted the most. Inflation is likely to remain high for some time, and a return to pre-covid levels of economic growth seems unlikely in the near future.

Economic Growth Forecast (%)	2022	2023	2024
Global economies	3.4	2.8	3.0
Advanced economies	2.7	1.3	1.4
Emerging markets and developing economies	4.0	3.9	4.2

Source: World Economic Outlook

The global growth forecast is expected to be the weakest since 2001 except during the global financial crisis and the acute phase of the COVID-19 pandemic. Advanced economies are expected to see an especially pronounced growth slowdown in 2023. Emerging and developing economies growth is expected to decline marginally in 2023 and rise to 4.2% in 2024.

India economic outlook

Indian Economy Continues to Show Resilience Amid Global Uncertainties

Overall growth is strong, with 6.9% expected for the full year. The real GDP growth for first three quarters of FY23 was 7.7%, driven by strong investment activity by the government sector and private consumption among higher income earners, while it may take some time for the private sector to join the investment bandwagon. However, there are signs of moderation in last quarter of FY23, and growth is expected to be constrained by slower consumption growth and challenging external conditions. Inflation remains high but is projected to decline to an average of 5.2% in FY24. The financial sector in India is robust, but spillovers from recent developments in financial markets in the US and Europe pose a risk to short-term investment flows to emerging markets, including India.

Australian economic outlook

The Australian economy ended 2022 on a positive note although slightly below economists' predictions, with domestic demand slightly negative and Gross National Expenditure (GNE) falling 0.5% in Q4. However, the $ 6 billion swing in net exports during the last quarter helped prevent negative GDP growth. Due to increased production, there has been a strong demand for additional workers, leading to a decade-low unemployment rate and a decade-high participation rate, resulting in levels of wage growth not seen since 2012. While policymakers in both fiscal and monetary quarters have viewed this increase in wage growth favourably, this wage growth has led to concerns about a 'wage-price' spiral, further adding to inflationary woes. The Reserve Bank of Australia (RBA) is splitting the discussion around inflation into "goods inflation" and "services inflation" due to the more significant role wages play in the cost base of services production than goods production.

Industry overview

Security Services

The Indian security services market is expected to be valued at ₹ 1,574 billion[1] in 2024. India is expected to be one of the fastest growing markets. The demand for security services is driven by various factors such as increasing crime rates, political instability, and the need for protection of assets and individuals. In addition, technological advancements such as the use of artificial intelligence, biometrics, and drones have further boosted the growth of the industry.

Rising labour costs, skilled resource shortages, and the post-COVID era are blurring the lines between the physical and digital worlds, complicating security requirements, and creating demand for more advanced technology-based security solutions. Technology-based security solutions include both system integration (integrated system design, sales, fitting, and project management) and alarm monitoring (constant monitoring by a certified monitoring centre and other adjacent security services). In advanced economies like Singapore, Government is investing in integrating security guarding and technology and it also identified changing the security buyer's behaviour will be the key to drive this change.

The technology-based security solutions market is expected to be valued at ₹ 322 billion by 2024 in India. The technology-based security solutions market is in the early stages of commodification and is anticipated to witness significantly higher growth rates compared to more stable areas such as guarding services.

Facility Management

The Indian facility management market is expected to be valued at ₹ 2,328 billion[1] in 2024. The facilities management market is a profoundly fragmented market with high potential for consolidation and continues to grow driven by increased outsourcing, government's investments in infrastructure, increasing environmental compliances, convergence towards Integrated Facility Management offerings.

Technology is constantly advancing, propelling development in the realm of facility management by increasing efficiencies and providing better value to clients. Large customers are transitioning from input-based relationships to outcome-focused strategic partnerships, with cleaning and workplace management services viewed as critical drivers of corporate culture, employee wellness and engagement.

As economies recover from the COVID-19 outbreak and the associated restrictions, the Facility Management market in general is expected to grow and Facility management solution providers are perceived as a hygiene partner rather than a cleaning service provider by the businesses.

[1] *Source: Fredonia Research Report.*

Business Overview

The SIS Group is a market leader in security, facility management and cash logistics services and operates in India, Australia, New Zealand and Singapore.

Through its subsidiaries, associates, and joint ventures, the SIS Group provides security and related services such as manned guarding, training, physical security, paramedic and emergency response services; loss prevention, asset protection, and mobile patrols; facility management services such as cleaning, housekeeping, and pest control management services; and cash logistics services such as cash-in- transit, door step banking, ATM cash replenishment activities, cash handling and processing, and secure transportation of precious items and bullion; and alarm monitoring and response services such as installation of electronic security devices and systems, their monitoring and response.

A summary of our financial performance during the year is indicated in the tables below:

(in ₹ Crore)

Particulars	Full year Numbers		Change
	FY23	FY22	%age
Revenue	11,345.8	10,059.1	12.8%
EBITDA	491.6	498.5	-1.4%
%	4.3%	5.0%	
Depreciation	130.9	99.4	31.7%
Finance Costs	114.9	98.4	16.8%
Other Income & share of profit/(loss) in associates	42.9	29.6	44.9%
Earnings Before Taxes (Incl. Grants)	288.7	330.3	-12.6%
Less: Acquisition related costs/ (income)			
– Depreciation & Amortization	3.8	12.1	
– Gains arising out of adjustment of future tranche of acquired entities	0.0	-25.7	
Earnings Before Taxes (Reported)	284.9	343.9	-17.1%
%	2.5%	3.4%	
Tax Expenses	-61.6	17.9	
Profit After Taxes (Reported)	346.5	325.9	6.3%
%	3.1%	3.2%	
Profit After Taxes (Operating)	343.9	288.6	19.2%
%	3.0%	2.9%	

All businesses continued to report revenue growth during the year signifying the continuation of the business recovery in all segments where the Group operates.

Segmental review

The SIS group has organized its business into the following business segments:

Security Solutions – India: The segment maintained its growth momentum with 19.9% revenue growth, reaching ₹ 4,626.1 Crore, indicating the return of growth in the market post Covid. During the year, we focused our efforts on both growth levers and margin improvement initiatives, resulting in profitable revenue growth and further strengthening the resilient nature of the business. The long-awaited revision of minimum wages in some of the states has also contributed to the growth of business. We continue to focus on leveraging technology in our security solution through our Man-Tech and Alarm monitoring & Response offerings. Our Alarm monitoring & Response businesses continue to grow, with 6,485

Management Discussion and Analysis (Contd.)

new installations during the year, which now services 14,000+ customer connections. Additionally, the VProtect business has a strong pipeline with almost 5,000 sites of confirmed orders to implement in the coming quarters.

Security Solutions – International: The segment reported revenue of ₹ 4,875.9 Crore, a 0.7% y-o-y increase. The revenue from the one-off contracts for the COVID-related quarantine centers business, that contributed to the revenue and margin growth during FY22 is not present in the current year. Despite this, our existing customers and segments which were affected by the pandemic and its restrictions, started coming back strongly and resulted in recording positive revenue growth during the year. However, the post pandemic scenario has presented the industry with the problem of labor shortages across geographies induced by record low unemployment rates and is impacting our costs. During the year, we completed the acquisition of SDS, a Perth based company providing Critical Risk Management, Rescue & Medical Services and Training services across Australia.

Facility Management Solutions: The Facility Management segment reported strong revenue growth, with revenue of ₹ 1,899.8 Crore in FY23 against ₹ 1,394.7 Crore in FY22, a 36.2% y-o-y increase. Our efforts of client base diversification to new sectors such as manufacturing, healthcare, BFSI, Ecommerce/Logistics had paid off well and recovery of IT/ ITES segments also helped to drive the growth. The role of technology in service delivery is increasing with increasing interest from customers for more mechanized, advanced and innovative facility management solutions.

Cash Logistics Solutions: The Cash Logistics segment reported revenue of ₹ 543.0 Crore, a 38.3% y-o-y increase. Revenue continued to grow with our increasing focus on developing and deploying new products and solutions for the customers along with the growth in the traditional service. The revenue from these new and innovative solutions contributes ~ 4% of FY23 revenue. The joint venture business achieved another year of double-digit EBITDA margins, confirming the company's typical profitability nature.

For a detailed discussion of the segments and industries we operate in, please refer to the other sections in this report from page 22.

Our Return on Net Worth (RoNW) was 15.7% and Return on Capital Employed was 12.0% as on March 31, 2023, and displays our commitment to fiscal prudence.

Risk management

SIS has established a formal risk management process to identify potential risks that may affect the business, the capabilities to predict and respond to risks as and when they arise and manage the risk to be within its risk appetite. As a part of its risk management process, we have compiled a comprehensive risk library covering all likely risks under the categories of Operations, Strategic, Human resources, Legal & Compliance, Information Technology & Security and Financial. The key/top risks were then identified and presented to the Risk Management Committee along with the risk mitigation plan. Each risk is properly documented along with its mitigation plan and an owner assigned.

Operating Risks

The possibilities and uncertainties that a firm faces in the process of completing its regular business activities, procedures, and systems are referred to as operational risk. The sources of income in the security or facilities management industries are continuous, giving the income and cash flows a high degree of stability. With a vast operating network encompassing nearly 21,000 venues, we must assure that each of these locations adheres to the same high-quality standards.

We've learned a lot about anticipating risks and the mitigation steps that are required over the last four decades. These include hiring, training, evaluation, and quality control methods to guarantee that the risk of lapse is reduced. We also invest in technology to make the process of managing operations at all of these locations easier. Higher standardization is required in order to simplify monitoring and management.

Financial Risks

The Group's objective is to provide a degree of predictability and consistency in the group's financial performance while maintaining a balance between offering consistency in the business plan and reasonable market participation because market risk, credit risk, and liquidity risk are all present in the Group's operations. The Group's policy does not permit derivatives trading for speculative purposes.

Please see note 40 in the standalone financial statements and note 41 in the consolidated financial statements for more information on the Group's financial risk management.

Information Technology & Security Risks

As a result of a mix of both organic and inorganic growth over the years, different business within the SIS Group operate on multiple ERP platforms, applications and business systems which are customized to suit their business requirements and are developed internally over the years. Challenges exist in the ability to adequately manage, maintain and constantly improve this platform to avoid operational bottlenecks and a resultant financial impact on the Group. Therefore, the Group has initiated the rollout of common systems to be used across the group which will ensure a more quality and robust management and support and also allow high visibility of key performance metrics across the Group to aid faster and more accurate decision making. With the use of technology being embedded in all facets of our operations, we are conscious of the risks arising out of disruption to our systems and have, therefore, also ensured that we prepare and keep a disaster recovery plan in readiness to allow operations to continue uninterrupted. We also started our cyber security risk management policy to protect and ensure the confidentiality, integrity and availability of Business Applications, Data & IT infrastructure of SIS Group entities from various cyber threats and attacks.

Legal & Compliance Risks

All our businesses are heavily governed by multiple regulations which are not always interpreted and implemented in a predictable and consistent manner. Sometime, general practices followed by the industry may be inconsistent with the regulations or an interpretation of the regulations. Inconsistency in, and differing, interpretations and implementations of the regulations may result in a significant financial impact on the Group. As a Group, we therefore, focus on the highest levels of compliance to avoid reputational damage and financial losses.

Workplace Risks

We have a comprehensive health and safety policy designed to safeguard our personnel and those functioning at our customers' locations. Our HR practices are in line with our businesses' health and safety laws. We believe that accidents and occupational health hazards can be greatly reduced via hazard analysis and control. As a result, we provide proper training to both management and personnel. To maintain a safe working environment at our customer sites, we have developed a set of comprehensive work safety procedures and our workforce is regularly trained and updated on these procedures.

Internal Quality control and adequacy

The Board has established policies and procedures for conducting business in an efficient and effective manner, including compliance with the Company's policies, asset protection, fraud prevention and detection, error reporting mechanisms, accounting record accuracy and completeness, and timely preparation of reliable financial statements.

While our continued growth in the scale of our business operations has the potential to impose strain on our internal systems and processes, we are constantly engaged in a review and update of our systems and processes, to ensure that they remain current and relevant in an ever-changing business environment. The SIS Group's information systems are constantly examined and improved in order to provide timely and relevant information to diverse stakeholders, enabling them to compete in a challenging market and environment. We feel that IT and information systems are vital in today's society, and we engage with numerous expert teams to evolve and improve these systems in order to keep pace with the fast environment.

The Company's internal auditing system ensures that established processes and practices are followed and adhered to, as well as to ensure that quality processes are followed properly. At all levels of the company, financial discipline is emphasized, and quality processes and a focus on customer satisfaction are vital for the company to retain and attract clients and business, and these are strictly followed.

As part of the group's long-term plan to leverage technology in order to enhance and effectively implement a system of internal controls and efficiency and productivity, we have rolled-out a new financial accounting and reporting system across the group. At the same time the group is also commencing the roll-out of an enhanced and re-developed version of its existing core business systems to help achieve these objectives.

Material developments in human resources/ Industrial relations front, including number of people required

SIS is one of India's leading private sector employers, and we continue to hire a substantial number of employees across the board. Thousands of families benefit from our consistent income, which is backed up by our strict compliance policies. We also provide health and medical insurance, as well as ESOPs that are forward-looking, in addition to statutory pay and benefits.

The business relies heavily on people, and effective management of this resource is critical for success, profitability, and long-term viability. With an integrated capacity to recruit, train, and deploy a huge labor base, the SIS Group has India's largest trained manpower supply chain. We have cutting-edge infrastructure and curriculum, with the potential to teach thousands of security guards each year. We have 27 training centres across 14 states possessing state-of-the-art infrastructure and providing up-to-date courses, with capacity to churn out more than 35,000 trained guards , janitors, cash van drivers every year. Furthermore, SIS has strong pan-India recruitment capabilities, ensuring a steady supply of workers.

We rejoice in the fact that our people believe in our culture and vision, our tenure demographics of employees with 25+ & 30+ service awards showcase the long-term confidence that our people vest in us. They are the backbone of SIS, and by providing them with a clear career path and the necessary skills, SIS is well-positioned to take advantage of the opportunities that lie ahead. As of March 31, 2023, we had 2,74,206 employees.

Independent Auditor's Report

To The Members of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited')

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SIS LIMITED** (formerly known as **'Security and Intelligence Services (India) Limited')** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit & other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	Auditor's Response
Accuracy of recognition, measurement, presentation & disclosures of revenue	**Audit Procedures**
The Company's revenue for the financial year ending March 31, 2023, is ₹ 39,848.72 Million. A significant proportion of the Company's revenue is derived from contracts with customer which consist of the rendering of services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized when the Company has completed its performance obligations under the contracts and/ or the control is transferred to the customer. Revenue is recognized in a manner that depicts the transfer of goods and/ or services to customers at an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.	Our audit procedures on recognition, measurement, presentation & disclosures of revenue included but not limited to the following: • We performed testing of revenue transactions to confirm the transactions had been appropriately recorded in the statement of profit & loss and verified the satisfaction of performance obligation to recognise revenue by analyzing the contract and terms of the sale and determining whether the management has appropriately identified the separate performance obligations, where relevant; compared the terms with the revenue recorded by management to determine whether the Company's revenue recognition policies had been properly applied and has been appropriately measured; and testing management's calculations. • We tested the effectiveness of controls relating to contract monitoring, billings and approvals and related IT controls used to generate the information. The basis for the evaluation of internal control has been Company's internal control framework for financial reporting. The testing of controls and amounts has been performed on a sample basis.

Key Audit Matter	Auditor's Response
Further, the contractual terms also underpin the measurement and recognition of revenue and profit. The Company is therefore required to make operational and financial assumptions & various judgements. The nature of the Services provided by the Company also gives rise to a significant amount of work which is recorded as accrued/ unbilled income with corresponding profit recognition. Accrued/ unbilled income as on March 31, 2023, aggregated to ₹ 2,561.39 Million.	• We obtained and read customer contracts and confirmed our understanding of the Company's sales process from initiation to collection of receivables, including the design and implementation of controls and tested the operating effectiveness of these controls. • We read and understood the Company's accounting policy for the recognition of revenue as per Ind AS 115. • We requested independent balance confirmations from the Company's customers on a sample basis. • Tested a sample of accrued unbilled income balance with supporting documentation which includes attendance records, customer acceptance, reviewing customer correspondence where necessary and ensuring cut-off had been appropriately applied.
Uncertain tax positions and deferred tax assets	**Audit Procedures**
The Company operates in a complex tax environment and is subject to a range of tax risks during the normal course of business. Where the amount of tax payable is uncertain, the Company establishes provisions based on management's judgment of the probable amount of the future tax liability. The Company has material certain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes. In addition, the Company has recognized ₹ 1,689.83 Million of deferred tax assets on March 31, 2023. The recognition of deferred tax assets involves judgment by management regarding the likelihood of the realization of these assets. The expectation that these assets will be realized is dependent on a number of factors, including whether there will be sufficient taxable profits in future periods to support the utilization of these assets. For details:- Refer to Note No 8 to the Standalone Financial Statements.	Our audit procedures in relation to the recognition of Uncertain tax position and deferred tax assets/liabilities included, but were not limited to the following: • Discussion with the management on the development of tax litigations during the year ended March 31, 2023. • Verification that the accounting and/or disclosures as the case may be in the standalone financial statements is by the assessment of management/ tax practitioners. • Obtaining a representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations. • Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition of deferred tax assets based on the assessment of the Company's ability to generate sufficient taxable profits in the foreseeable future allowing the use of deferred tax assets. • Tested the arithmetical accuracy of the calculations performed by the management. • Evaluated management's assessment for adjustment of such deferred tax assets as per provisions of the Income-tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. • Evaluated the appropriateness of the disclosures made in the financial statements in respect of deferred tax assets.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditor's Report (Contd.)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the 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 management 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are 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 SAs 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 these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 financial 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 adequate internal financial controls system in place 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.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 statements.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 34 to the financial statements)

Independent Auditor's Report (Contd.)

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company had not declared and paid any dividend during the year and until the date of this report is in compliance with Section 123 of the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No.000756N

Naveen Aggarwal
Partner
Membership No.094380
UDIN : 23094380BGUMYB9715

Place : New Delhi
Date : May 03, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SIS Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b. According to the information and explanation provided to us, the Property, Plant & Equipment and right of use assets have been physically verified by the management in phased manner according to designed process, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies, noticed on such physical verification had been properly dealt with in the books of account.

c. According to the information and explanation given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date.

d. According to the information and explanation given to us and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

e. According to the information and explanation given to us and based on our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us, physical verification has been conducted by the management at reasonable intervals during the year in respect of inventory i.e. uniforms and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. As far as we could ascertain and according to the information and explanations given to us, no discrepancies of 10% or more in the aggregate were noticed between the physical stock and book records.

(b) According to the information and explanation given to us and based on our examination of records, the company has been sanctioned working capital limit against current asset in excess of ₹ 5 Crore, in aggregate, from banks. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investment in, provided guarantee or security, granted unsecured loans to companies, firms, limited liability partnership or any other parties during the year in respect of which the requisite information is set out below. However there were no advances in the nature of loans given during the year:

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any advances in the nature of loans. However, the Company has given loans or guarantee to subsidiaries which are disclosed hereunder:

(₹ in Million)

Particulars	Guarantee	Loans
Aggregate amount granted / provided during the year to subsidiaries	120.00	31.96
Balance outstanding as at balance sheet date in respect of above cases to subsidiaries.	3,660.26	141.21

Annexure "A" to the Independent Auditor's Report (Contd.)

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans or advances and guarantees or securities to parties other than subsidiaries, joint venture. Further the company is not having any associates during the year.

(b) In our opinion, the investments made, guarantees provided and security given and the terms and conditions of the grant of all loans and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no amount overdue in respect of the loans as per the respective loan agreements.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties. Hence reporting under clause 3(iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence the reporting under clause 3(iii)(f) is not applicable.

iv. According to the information and explanations given to us, provisions of Section 185 are not applicable to the Company. However, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, to the extent applicable.

v. According to the information and explanations given to us, during the year the Company has neither accepted any deposits from the public nor any deposits are outstanding during the year. There are no deemed deposits under the provisions of Companies Act, 2013 and rules thereunder. Accordingly, the provisions of clause 3 (v) of the Order are not applicable.

vi. In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government in terms of sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company. Hence, reporting under clause 3(vi) of the Order is not applicable.

vii. According to the information and explanations given to us and the records of the Company examined by us, in our opinion:

a. the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax, service tax, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities with slight delays. There were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable except employee provident fund where the amount involved is ₹ 1.09 Million.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

(₹ in Million)

Name of the statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount
Finance Act, 1994	Service tax	Appellate Authority – upto Commissioners level (at Madurai)	FY* 2011-12	0.18
Finance Act, 1994	Service tax	Appellate Authority – upto Comm. Appeal level (Commissioner Appeal allowed, however sent back to commissioner)	FY* 2011-12	1.55
Finance Act, 1994	Service tax	Appellate Authority – upto commissioner level	FY* 2014-15 & FY 2015-16	0.19
Finance Act, 1994	Service tax	Appellate Authority – upto Pr. Commissioner Level	FY* 2014-15, FY* 2015-16 & FY* 2016-17	67.89
Finance Act, 1994	Service tax	Appellate Authority – upto commissioner level	FY* 2015-16	32.48
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2012-13	4.22
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2015-16	3.21
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2015-16	1.00
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2016-17	1.00
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2016-17	3.12
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2017-18	41.12
Income tax Act, 1961	Income tax demand	Appellate Authority – CIT (A)	FY* 2018-19	208.73

** FY = Financial Year*

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender and hence, reporting under clause 3(ix)(a) of the Order is not applicable.

(b) Based on the information and explanations obtained by us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on our examination of records, the Company has applied the term loans for the purpose for which the loans were obtained.

(d) According to the information and explanation given to us and based on our examination of records, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture. Company is not having any associate. Accordingly, the reporting under this clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanation given to us and based on our examination of records, the Company has not raised loans on the pledge of securities held in its subsidiaries or joint ventures except as mentioned below. Further, there is no default in repayment of such loans. The Company is not having any associate during the year.

Annexure "A" to the Independent Auditor's Report (Contd.)

Nature of loan taken	Name of lender	Amount of loan involved	Carrying Value of Loan as per financial statements**	Name of the subsidiary	Relation	Details of security pledged
Term Loan	Axis Finance Limited (NBFC)	950.00	940.12	Dusters Total Solutions Services Pvt Ltd	Wholly owned subsidiary	Equity Shares having carrying value of ₹ 255.53 Million (i.e. 13% of ₹ 1965.58* Million)
Term Loan	Bajaj Finance Limited (NBFC)	950.00	940.22	Dusters Total Solutions Services Pvt Ltd	Wholly owned subsidiary	Equity Shares having carrying value of ₹ 255.53 Million (i.e. 13% of ₹ 1965.58* Million)

** Refer Note 6 read with Note 15 to the standalone financial statements.*

*** Refer Note 15 to the standalone financial statements.*

x. (a) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanation given to us the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause (x)(b) of para 3 of the order is not applicable.

xi. (a) As per the information and explanation given to us and on the basis of our examination of the records, we have neither come across any instance of fraud by the company or on the company by its employees, noticed or reported during the year, nor have been informed of such case by the management.

(b) According to the information and explanation given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have been informed that there are no whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures. Accordingly, the reporting under the clause 3(xi)(c) of the Order is not applicable.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS (Refer Note No. 39 to the financial statements).

xiv. (a) According to the information and explanation given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of the clause 3(xvi)(a) of the Order are not applicable.

(b) According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and based on our examination of the records, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. According to the information and explanations given to us and based on our examination of the records, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. According to the information and explanations given to us and based on our examination of the records, the previous statutory auditors of the Company had vacated the office on completion of their tenure during the period under audit. We have obtained no objection from the previous statutory auditors and no issues have been informed to us.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No.000756N

Naveen Aggarwal
Partner
Membership No.094380
UDIN : 23094380BGUMYB9715

Place : New Delhi
Date : May 03, 2023

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SIS Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of **SIS LIMITED (formerly known as 'Security and Intelligence Services (India) Limited')** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No.000756N

Naveen Aggarwal
Partner
Membership No.094380
UDIN : 23094380BGUMYB9715

Place : New Delhi
Date : May 03, 2023

Balance Sheet

as at March 31, 2023

All amounts in ₹ Million, except share data

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A	**ASSETS**			
	Non-current assets			
	Property, plant and equipment	4	1,348.44	1,233.48
	Capital work-in-progress	4	180.15	-
	Other intangible assets	5	128.25	6.53
	Intangible assets under development	5	136.71	211.40
	Financial assets			
	(i) Investments	6	5,733.59	5,765.48
	(ii) Other non-current financial assets	7	459.89	597.13
	Deferred tax assets (net)	8	1,689.83	1,045.66
	Income tax assets	8	1,204.96	1,410.12
	Other non-current assets	9	30.49	31.83
	Total non-current assets		**10,912.31**	**10,301.63**
	Current assets			
	Inventories	10	150.57	147.20
	Financial assets			
	(i) Investments	6	179.89	-
	(ii) Trade receivables	11	6,863.07	5,072.09
	(iii) Cash and cash equivalents	12	1,002.49	1,303.00
	(iv) Bank balances other than (iii) above	12	536.43	283.98
	(v) Other current financial assets	7	2,948.50	2,358.58
	Other current assets	9	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	13	728.65	735.16
	Other equity	14	8,737.87	7,625.28
	Total equity		**9,466.52**	**8,360.44**
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	(i) Borrowings	15	2,904.53	1,011.08
	(ia) Lease liabilities	16	398.52	414.30
	(ii) Other non-current financial liabilities	18	1.47	5.87
	Provisions	20	813.45	786.90
	Total non-current liabilities		**4,117.97**	**2,218.15**
	Current liabilities			
	Financial liabilities			
	(i) Borrowings	15	4,704.82	5,387.23
	(ia) Lease liabilities	16	96.93	76.13
	(ii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	17	24.30	6.13
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	199.88	124.21
	(iii) Other current financial liabilities	18	3,234.02	2,526.44
	Other current liabilities	21	1,201.18	1,086.84
	Provisions	20	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**

The accompanying notes 1 to 42 form an integral part of these financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2023

All amounts in ₹ Million, except share data

S. No.	Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
1	**Income**			
	(a) Revenue from operations	23	39,848.72	33,178.47
	(b) Other income	24	694.26	631.22
	(c) Other gain/(loss)	25	(1.90)	2.95
	Total Income (a + b + c)		**40,541.08**	**33,812.64**
2	**Expenses**			
	(a) Purchases of inventory		433.48	394.86
	(b) Changes in inventory	26	(3.37)	34.85
	(c) Employee benefits expense	27	35,302.02	29,804.80
	(d) Finance costs	29	670.45	560.80
	(e) Depreciation and amortization expenses	30	542.61	378.60
	(f) Other expenses	31	2,246.77	1,483.21
	Total expenses (a + b + c + d + e + f)		**39,191.96**	**32,657.12**
3	**Profit before exceptional items and tax (1-2)**		**1,349.12**	**1,155.52**
4	Exceptional items		-	-
5	**Profit before tax (3 - 4)**		**1,349.12**	**1,155.52**
6	**Tax expense/(credit)**			
	(a) Current tax	8	114.11	32.11
	(b) Deferred tax	8	(666.29)	(215.60)
	Total tax expense/(credit)		**(552.18)**	**(183.49)**
7	**Profit for the year (5 - 6)**		**1,901.30**	**1,339.01**
8	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss:			
	(a) Re-measurement of defined benefits plan	27	87.91	(80.63)
	(b) Income tax relating to these items	8	(22.12)	20.29
	Other comprehensive income/(loss) for the year (net of taxes)		**65.79**	**(60.34)**
9	**Total comprehensive income for the year (7 + 8)**		**1,967.09**	**1,278.67**
10	Earnings per share (EPS) (face value ₹ 5 per share)	32		
	(a) Basic (₹)		12.97	9.10
	(b) Diluted (₹)		12.86	9.01
11	Weighted average equity shares used in computing earnings per equity share	32		
	(a) Basic (Nos.)		146,537,510	147,150,940
	(b) Diluted (Nos.)		147,849,999	148,639,390

The accompanying notes 1 to 42 form an integral part of these financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Statement of changes in Equity

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

A. Equity Share Capital

Particulars	Amounts
As at April 01, 2021	**741.51**
Issued on exercise of stock options	2.74
Buyback of equity shares (refer note 13)	(9.09)
As at March 31, 2022	**735.16**
Issued on exercise of stock options	0.76
Buyback of equity shares (refer note 13)	(7.27)
As at March 31, 2023	**728.65**

B. Other Equity

Year ended March 31, 2022

Particulars	Reserves and surplus			Other reserves			Share application money pending allotment	Total other equity
	Securities premium	General reserve	Retained earnings	Share options outstanding account	Debenture redemption reserve	Capital redemption reserve		
As at April 01, 2021	**4,078.79**	**188.94**	**2,655.65**	**77.23**	**375.00**	**-**	**0.29**	**7,375.90**
Profit for the year	-	-	1,339.01	-	-	-	-	1,339.01
Other comprehensive income/(loss)	-	-	(60.34)	-	-	-	-	(60.34)
Total comprehensive income for the year	**-**	**-**	**1,278.67**	**-**	**-**	**-**	**-**	**1,278.67**
Employee share-based payment expense	-	-	-	203.46	-	-	-	203.46
Buyback of equity shares, including tax thereon	(1,000.00)	-	(230.84)	-	-	9.09	-	(1,221.75)
Transaction cost related to buyback of equity shares (net of taxes)	(10.73)	-	-	-	-	-	-	(10.73)
Creation/transfer of debenture redemption reserve	-	375.00	-	-	(375.00)	-	-	-
Share application money received during the year	-	-	-	-	-	-	2.47	2.47
Issued on exercise of stock options (refer note 28)	55.28	-	-	(55.28)	-	-	(2.74)	(2.74)
As at March 31, 2022	**3,123.34**	**563.94**	**3,703.48**	**225.41**	**-**	**9.09**	**0.02**	**7,625.28**

Year ended March 31, 2023

Particulars	Reserves and surplus			Other reserves			Share application money pending allotment	Total other equity
	Securities premium	General reserve	Retained earnings	Share options outstanding account	Debenture redemption reserve	Capital redemption reserve		
As at April 01, 2022	**3,123.34**	**563.94**	**3,703.48**	**225.41**	**-**	**9.09**	**0.02**	**7,625.28**
Profit for the year	-	-	1,901.30	-	-	-	-	1,901.30
Other comprehensive income/(loss)	-	-	65.79	-	-	-	-	65.79
Total comprehensive income for the year	**-**	**-**	**1,967.09**	**-**	**-**	**-**	**-**	**1,967.09**
Employee share-based payment expense	-	-	-	135.54	-	-	-	135.54
Buyback of equity shares, including tax thereon	(800.00)	-	(184.67)	-	-	7.27	-	(977.40)
Transaction cost related to buyback of equity shares (net of taxes)	(12.62)	-	-	-	-	-	-	(12.62)
Share application money received during the year	-	-	-	-	-	-	0.70	0.70
Issued on exercise of stock options (refer note 28)	23.55	-	-	(23.55)	-	-	(0.72)	(0.72)
Stock options expired	-	2.53	-	(2.53)	-	-	-	-
As at March 31, 2023	**2,334.27**	**566.47**	**5,485.90**	**334.87**	**-**	**16.36**	**(0.00)**	**8,737.87**

The accompanying notes 1 to 42 form an integral part of these financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Statement of Cash Flows

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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
	Unrealized 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	(174.13)	(126.28)
	Provision for doubtful debts	209.17	97.33
	Dividend income	(520.13)	(504.94)
	Employee stock option compensation expense	78.47	112.47
	Operating profit/(loss) before working capital changes	**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 capital work-in-progress	(727.20)	(620.37)
	Proceeds from sale/disposal of property, plant and equipment	11.61	20.46
	Investment in subsidiary (refer note 6)	(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**

Statement of Cash Flows (Contd.)

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of share capital (net of share issue expenses)	0.76	2.47
	Buyback 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 year	1,303.00	2,061.91
F.	Cash credit at the beginning of the year	(3,288.46)	(2,990.00)
	Cash and cash equivalents at the end of the year (D+E+F)	**(3,412.60)**	**(1,985.46)**

Reconciliation of cash and cash equivalents as per the statement of the cash flows

Cash and cash equivalents as per above comprise of the following:	March 31, 2023	March 31, 2022
Cash and cash equivalents	1,002.49	1,303.00
Cash credit	(4,415.09)	(3,288.46)
Balances as per statement of cash flows	**(3,412.60)**	**(1,985.46)**

Refer note 40 for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flow.

The accompanying notes 1 to 42 form an integral part of these financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

Naveen Aggarwal
(Partner)
Membership No. 094380

Place: New Delhi
Date: May 03, 2023

For and on behalf of the Board of Directors

Ravindra Kishore Sinha
Chairman
(DIN: 00945635)

Rituraj Kishore Sinha
Managing Director
(DIN: 00477256)

Arvind Kumar Prasad
Director – Finance
(DIN: 02865273)

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Notes to the Financial Statements

All amounts in ₹ Million, unless stated otherwise

1. Company overview

SIS Limited ("the Company") is a company limited by shares, incorporated and domiciled in India. The Company is listed on the BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). Its registered office is situated at Annapurna Bhawan, Telephone Exchange Road, Kurji, Patna, Bihar – 800 010, India, and its principal place of business is situated at A-28 & 29, Okhla Industrial Area, Phase I, New Delhi – 110 020.

The name of the Company has been changed to **'SIS Limited'** from 'Security and Intelligence Services (India) Limited' and a fresh certificate of incorporation in the name of '**SIS Limited** was issued by the Registrar of Companies on January 13, 2021.

The Company is directly and indirectly engaged in rendering security and related services consisting of manned guarding, training, and indirectly engaged in paramedic and emergency response services; loss prevention, asset protection and mobile patrols; facility management services consisting of cleaning, house-keeping and pest control management services in the areas of facility management; cash logistics services consisting of cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion; and alarm monitoring and response services consisting of trading and installation of electronic security devices and systems through its subsidiaries, joint ventures and associates.

These financial statements were authorized for issue by the directors on May 03, 2023.

2. Significant accounting policies

This note provides a list of significant accounting policies adopted in the preparation of these financial statements.

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and other applicable provisions of the Companies Act, 2013 ("the Companies Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements are presented in Indian Rupees (₹) and are rounded off to the nearest Million ('Mn') except per share data and unless stated otherwise. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. The figures which are appearing as '0' are the result of rounding off.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:

(a) certain financial assets and financial liabilities (including derivative financial instruments) and contingent consideration that are measured at fair value;

(b) assets held for distribution to owners upon demerger that are held at lower of carrying cost and fair value less cost to distribute;

(c) share-based payments; and

(d) The defined benefit asset/(liability) which is recognized as the present value of defined benefit obligation less fair value of plan assets.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act, 2013. For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable or required.

Fair value measurement

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair value based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and either in the principal market or in the absence of a principal market, most advantageous market for that asset or liability.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, bonds and debentures and mutual funds that have a quoted

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

price. The fair value of all financial instruments which are traded on the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity / preference securities included in level 3.

In accordance with Ind AS 113, 'Fair value measurement', assets and liabilities are to be measured based on the following valuation techniques:

(i) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

(ii) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.

(iii) Cost approach – Replacement cost method.

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 realized or intended to be sold or consumed in the normal operating cycle;

(ii) Held primarily for the purpose of trading;

(iii) Expected to be realized 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Property, plant and equipment

Recognition and measurement

An item is recognized 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 derecognized.

An item of property, plant and equipment and any significant part, initially recognized, is derecognized 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 recognized in the statement of profit and loss when the asset is derecognized.

(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.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of such expenditure can be measured reliably. All other repair and maintenance costs are recognized in profit or loss as incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using written down value method over their estimated useful lives of 60 years. The useful life has been determined based on a technical evaluation performed by the management's expert.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

(d) Intangible assets

Recognition and measurement

Intangible assets are recognized when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at historical cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized software development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life on a written down value method and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates and adjusted accordingly. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The estimated useful lives of intangible assets are as follows:

Category	Useful life
Computer software	5 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalized to software and systems. Costs capitalized include external direct costs of materials, services, and direct payroll and related costs of employees' time spent on the project.

License & franchise:

Licenses & franchise fees are amortized commencing from the date when license & franchise fees are available for intended use.

(e) Investment in subsidiaries, associates and joint ventures

A subsidiary is an entity over which the Company has control. The Company controls an investee entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. This is generally the case where the Company holds between 20% to 50% of the voting rights.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control exist are similar to those necessary to determine control over the subsidiaries.

Investments in subsidiaries, associates and joint ventures is accounted for at cost less impairment loss, if any. The said investments are tested for impairment whenever circumstances indicate that their carrying value may exceed the recoverable amount.

(f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

(i) Financial assets at amortized cost

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

(iii) Financial assets derivatives and equity instruments at fair value through profit or loss (FVTPL).

Financial instruments at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions call and similar options) but does not consider the expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income based on EIR is included as interest income as a part of other income in the statement of profit and loss. The losses arising from impairment are recognized in profit or loss. A gain or loss on such financial asset which is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized. This category generally applies to trade and other receivables.

Financial instruments at FVTOCI

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

(i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(ii) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income calculated using the EIR method, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss.

Financial instruments at FVTPL

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is made only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss in respect of such assets that are not part of a hedging relationship. The gain/loss on assets measured at FVTPL are presented in the statement of profit and loss within other gains/losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Equity instruments included within the FVTPL category are measured at fair value with gain/loss presented in the statement of profit and loss within other gains/ losses in the period in which it arises.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Similarly, where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Company recognizes loss allowances on a forward-looking basis using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. How the Company determines whether there has been a significant increase in the credit risk has been detailed in the notes to the financial statements. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments, if any entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Borrowings

After initial recognition, borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowing using the EIR method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Preference shares which are mandatorily redeemable are classified as liabilities. The dividends on these preference shares, to the extent such dividends are mandatorily payable, are recognized in profit or loss as finance costs.

The fair value of the liability portion of an optionally convertible debenture/ bond/ preference share or a zero-coupon debenture/ bond/ preference share or compulsorily convertible debenture/ preference shares where the price of conversion of the debenture/ preference shares into equity share is not fixed, is determined using a market rate of interest for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound financial instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

When the terms of a financial liability are renegotiated and the entity issues equity instrument to a creditor to extinguish all or part of a liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a financial asset. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee, with corresponding increase in investment in subsidiary. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ losses. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss as other gains/losses.

Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends upon whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

Derivatives which are not designated as hedges are accounted for at fair value through profit or loss and are included in other gains/losses.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are financial assets, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines changes in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company of the counterparty.

(g) Trade receivables

Trade receivables that do not contain a significant financing component are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment (allowance for expected credit loss).

(h) Current and deferred tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and unused tax credits.

Current tax

The current income tax charge is calculated on the basis of tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Effective from April 01, 2019, the Company has adopted the option of lower effective corporate tax rate of 25.17% (including surcharge and cess), as per Section 115BAA of Income Tax Act.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(i) Inventories

Inventories are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit facilities) as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Non-current assets held for sale/distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/distribution to owners if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

and where a sale is considered highly probable. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell/distribute will be withdrawn and Management must be committed to the sale/distribution being completed within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell/distribute. A gain is recognized for any subsequent increases in fair value less costs to sell/distribute an asset (or a disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of sale/distribution of the non-current asset (or disposal group) is recognized on the date of derecognition.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

(i) Represents a separate major line of business or geographical area of operations,

(ii) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or

(iii) Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

(l) Equity share capital

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(n) Provisions and contingencies

Provisions

A provision is recognized when the Company has a present legal or a constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are recognized for legal claims and service warranties. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognized as an interest expense.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognized as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

All amounts in ₹ Million, unless stated otherwise

Asset Retirement Obligations (ARO)

ARO are recognized for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognized as part of the cost of that particular asset and amortized or depreciated in the same manner as the asset to which it pertains. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

Contingent liabilities and Contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or a reliable estimate of the amount cannot be made. Contingent asset is not recognized and is disclosed only where an inflow of economic benefits are probable.

Contingent liabilities recognized in a business combination

A contingent liability recognized in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized in accordance with the requirements for provisions above or the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with the requirements for revenue recognition.

(o) Government grants

Grants from the Government are recognized at their transaction value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to income or expenditure / expenses are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and recognized on a straight-line basis over the expected lives of related assets and presented within other income.

(p) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is recognized when the control is transferred to the customer and when the Company has completed its performance obligations under the contracts.

At the inception of the new contractual arrangement with the customer, the Company identifies the performance obligations inherent in the agreement. The terms of the contracts are such that the services to be rendered represent a series of services that are substantially the same with the same pattern of the transfer to the customer.

Revenue is recognized as follows:

(i) Revenue from services represents the amounts receivable for services rendered.

(ii) For contract-based business (Expressed or implied), revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is rendered.

(iii) Unbilled revenue (contract assets) net of expected deductions is recognized at the end of each period. Such unbilled revenue is reversed in the subsequent period when actual invoice is raised.

(iv) Unearned income (contract liabilities) represents revenue billed but for which services have not yet been performed. The same is released to the statement of profit and loss as and when the services are rendered.

(v) Revenue from the use of assets such as rent for using property, plant and equipment is recognized on a straight-line basis over the terms of the related leases unless payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increase.

Sale of goods

Revenue from the sale of goods is recognized when the control of goods has been transferred, being when the products are delivered to the buyer, the buyer having the full discretion over the use of the goods and there is no unfulfilled obligation that could affect the buyer's

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Discounts and rebates are estimated based on accumulated experience. The Company provide normal warranty provisions for general repairs for one year on all its products sold, in line with the industry practice. A liability is recognized at the time the product is sold. Revenue is deferred and recognized on a straight-line basis over the extended warranty period in case warranty is provided to customer for a period beyond one year.

Rendering of services

In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, material and maintenance, revenue for each element is determined based on each element's fair value.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

Interest income

For all financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income from investments is recognized in profit or loss as other income when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and amount of the dividend can be measured reliably.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term unless payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increase and is included in revenue in the statement of profit or loss due to its operating nature.

(q) Foreign currency transaction and balances

The financial statements of the Company are presented in Indian Rupees (₹) which is also the Company's functional currency, i.e., the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates prevailing at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates prevailing as at the reporting date.

Subsequently, differences arising on restatement or settlement of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions and translation differences are recognized in OCI with the accumulation in other equity as foreign currency translation reserve. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

The equity items denominated in foreign currencies are translated at historical cost.

(r) Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, compensated absences, defined contribution to plans, defined benefit plans and share-based payments. The employee benefits are recognized in the year in which the associated services are rendered by the employees of the Company.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and compensated absences expected to be settled within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for compensated absences is recognized in the provision for employee benefits. All other short-term employee benefit obligations are presented as employee benefits payable under other financial liabilities, current.

Bonus

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually or legally obliged or where there is a past practice that has created a constructive obligation.

Compensated absences/Leave obligations

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to a specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Re-measurements arising out of actuarial gains/losses are immediately taken into the statement of profit and loss and are not deferred.

In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

(i) Defined contribution plans such as provident fund and employees' state insurance; and

(ii) Defined benefit plans such as gratuity.

Defined contribution plan

The Company's policy to contribute on a defined contribution basis for eligible employees, to Employees' Provident Fund, Employees' Pension Scheme and Employees' State Insurance Scheme towards post-employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution which is expected in the year in which it pertains. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

The Company has a defined benefit plan, viz., Gratuity, for all its employees, the liability for which is accrued and provided for as determined by an independent actuarial valuation. A portion of this liability for gratuity is contributed to a fund administered and operated by a reputed insurance company. The liability or asset

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit is actuarially determined (using the projected unit credit method) at the end of each year.

Present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields on government bonds at the end of the reporting periods that have approximately similar terms to the related obligation.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

(ii) Net interest expense or income.

Past service costs are recognized in profit or loss on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Company recognizes related restructuring costs.

The net interest is calculated by applying the above-mentioned discount rate to the net balance of the defined benefit obligations and the fair value of plan assets. This cost is included in the employee benefits expense in the statement of profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Equity settled stock-based compensation

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The fair value of options granted under various Employee stock option plans is recognized as an employee benefits expense with a corresponding increase in equity (stock option outstanding account).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates in the period of change, if any, in the profit or loss, with corresponding adjustment to equity.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions, if any, are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Borrowing costs

Borrowing costs include interest calculated on the effective interest rate method, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of the assets that necessarily take a substantial period of time to get ready for their intended use or sale ('qualifying assets'), are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the statement of profit and loss within finance costs in the period in which they are incurred.

(t) Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

(u) Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings, equipment and vehicles. For any new contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

(i) -The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.

(ii) The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

(iii) The Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognizes a right-of-use asset ('ROU') and a corresponding lease liability on the balance sheet. The right- of-use asset is measured at cost, which comprises of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets using the written down value method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with an option to extend or terminate the lease, if the use of such option is reasonably certain. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Extension and termination options are included in a number of leases of the Company. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprises of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of- use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Lease liability and right-of-use assets have been separately presented in the notes to the financial statements under 'Other financial liability' and 'Property, plant and equipment' (except those meeting the definition of investment property) respectively. Lease payments have been classified as 'Cash flows from financing activities'.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low value assets. The Company recognizes lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease unless payments are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increase under "Other Income" in the statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(v) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, other than inventories and deferred tax assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of its fair value less cost of disposal and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the asset. For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units or CGU). Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's CGUs expected to benefit from the synergies arising from the business combination. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

(w) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Diluted Earnings per share amounts are computed by dividing the net profit attributable to the equity holders of the Company (after deducting preference dividends and attributable taxes but after adjusting the after income tax effect of interest and other financing cost associated with dilutive potential equity shares) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

All amounts in ₹ Million, unless stated otherwise

(x) Cash dividend and non-cash distribution to equity holders of the Company

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the carrying value of the assets to be distributed in case of distributions in which all owners of the same class of equity instruments are treated equally or the distributed asset is ultimately controlled by the same party or parties both before and after the distribution, and at fair value of the assets to be distributed in other cases, with such value recognized directly in equity. For this purpose, a group of individuals shall be regarded as controlling an entity when, as a result of contractual arrangements, they collectively have the power to govern its financial and operating policies so as to obtain benefits from its activities, and that ultimate collective power is not transitory. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit and loss.

(y) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.4 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company does not expect this amendment to have any significant impact in its financial statements.

3. Significant accounting judgments, estimates and assumptions

Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

All amounts in ₹ Million, unless stated otherwise

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

In the process of applying the Company's accounting policies, management has made various judgments, which have the most significant effect on the amounts recognized in the financial statements.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

(i) Estimation of current tax expense and payable – Note 8

(ii) Estimated useful life of intangible assets – Note 2.3.d

(iii) Estimation of defined benefit obligation – Note 27

(iv) Recognition of deferred tax assets for carried forward of tax losses – Note 8

(v) Impairment of trade receivables – Note 11

(vi) Whether assets held for distribution to owners meet the definition of discontinued operations – Note 2.3.k

Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. There are no reasonable foreseeable changes in these key estimates which would have caused an impairment of these assets.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 28.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer note 8)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates. (Refer note 27)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer note 19)

Intangible asset under development

The Company capitalizes development costs for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. (Refer note 5)

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances (Refer note 16).

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

4. Property, plant and equipment

Year ended March 31, 2022

Description of assets	Gross block				Accumulated depreciation				Net carrying value as at March 31, 2022
	As at April 01, 2021	Additions during the year	Sale and adjustments	As at March 31, 2022	As at April 01, 2021	Charge for the year	Sale and adjustments	As at March 31, 2022	
Buildings (refer note (i) 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
	2,418.10	**602.38**	**(60.18)**	**2,960.30**	**1,399.62**	**367.90**	**(40.70)**	**1,726.82**	**1,233.48**
Capital work-in-progress	-	-	-	-	-	-	-	-	-
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**

Year ended March 31, 2023

Description of assets	Gross block				Accumulated depreciation				Net carrying value as at March 31, 2023
	As at April 01, 2022	Additions during the year	Sale and adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Sale and adjustments	As at March 31, 2023	
Buildings (refer note (i) below)*	753.91	105.31	-	859.22	385.87	136.48	-	522.35	336.87
Leasehold improvement	182.34	49.25	-	231.59	119.09	26.98	-	146.07	85.52
Plant and machinery	404.13	245.49	-	649.62	137.17	173.77	-	310.94	338.68
Furniture and fixture	514.01	40.78	(0.03)	554.76	371.92	35.74	(1.39)	406.27	148.49
Vehicles	529.67	148.32	(107.95)	570.04	267.72	94.73	(98.85)	263.60	306.44
Office equipment	450.89	38.10	(4.07)	484.92	344.59	44.55	(3.57)	385.57	99.35
Computer equipment	125.35	20.18	-	145.53	100.46	11.98	-	112.44	33.09
	2,960.30	**647.43**	**(112.05)**	**3,495.68**	**1,726.82**	**524.23**	**(103.81)**	**2,147.24**	**1,348.44**
Capital work-in-progress	-	180.15	-	180.15	-	-	-	-	180.15
Grand total	**2,960.30**	**827.58**	**(112.05)**	**3,675.83**	**1,726.82**	**524.23**	**(103.81)**	**2,147.24**	**1,528.59**

Includes building on leasehold land.

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

Particulars	Building	Total
Balance as on March 31, 2021	**286.89**	**286.89**
Additions during the year	109.88	109.88
Derecognized 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**
Additions during the year	96.66	96.66
Derecognized during the year	-	-
Depreciation during the year	(132.25)	(132.25)
Balance as on March 31, 2023	**242.96**	**242.96**

Refer note 16 for disclosure of related lease liabilities.

(ii) Property, Plant and Equipment pledged as security

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

All amounts in ₹ Million, unless stated otherwise

4. Property, plant and equipment (Contd.)

(iii) Contractual obligations

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

(iv) Capital work-in-progress

Year ended March 31, 2022

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Year ended March 31, 2023

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress*	180.15	-	-	-	180.15
Total	**180.15**	**-**	**-**	**-**	**180.15**

* Includes plant and machinery pending put to use as per terms of the agreements.

5. Other intangible assets

Year ended March 31, 2022

Description of assets	Gross block				Accumulated amortization				Net carrying value as at March 31, 2022
	As at April 01, 2021	Additions during the year	Sale and adjustments	As at March 31, 2022	As at April 01, 2021	Charge for the year	Sale and adjustments	As at March 31, 2022	
Computer software	91.77	10.25	-	102.02	84.79	10.70	-	95.49	6.53
Intangible assets under development	114.07	97.33	-	211.40	-	-	-	-	211.40
Grand Total	**205.84**	**107.58**	**-**	**313.42**	**84.79**	**10.70**	**-**	**95.49**	**217.93**

Year ended March 31, 2023

Description of assets	Gross block				Accumulated amortization				Net carrying value as at March 31, 2023
	As at April 01, 2022	Additions during the year	Sale and adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Sale and adjustments	As at March 31, 2023	
Computer software	102.02	140.20	-	242.22	95.49	18.38	0.10	113.97	128.25
Intangible assets under development*	211.40	95.90	(170.59)	136.71	-	-	-	-	136.71
Grand Total	**313.42**	**236.10**	**(170.59)**	**378.93**	**95.49**	**18.38**	**0.10**	**113.97**	**264.96**

** Sales and adjustments include amount cross charged to subsidiaries of the Company.*

(i) Intangible assets under development

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**

Year ended March 31, 2023

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Project in progress*	55.61	35.71	24.79	20.60	136.71
Total	**55.61**	**35.71**	**24.79**	**20.60**	**136.71**

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

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

6. Investments

Particulars	March 31, 2023	March 31, 2022
Non-current investments		
Investments in equity instruments		
Unquoted equity shares (fully paid)		
Investment in subsidiaries (at cost unless stated otherwise)		
4,000,000 (March 31, 2022: 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, 2022: 11,512,800) equity shares in Service Master Clean Limited of ₹ 10/- each fully paid up	139.20	135.20
22,500,000 (March 31, 2022: 11,252,250) equity shares in Terminix SIS India Private Limited of ₹ 10/- each fully paid up*	122.03	114.26
14,800,000 (March 31, 2022: 14,800,000) equity shares in Tech SIS Limited of ₹ 10/- each fully paid up	152.90	152.60
800,000 (March 31, 2022: 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, 2022: 2,801,666) equity shares in Dusters Total Solutions Services Private Limited of ₹ 10/- each fully paid up	1,965.58	1,965.58
250,000 Equity shares in SLV Security Services Private Limited of ₹ 100/- each fully paid up $	884.95	827.24
1,169,213 (March 31, 2022: 1,169,213) equity shares in RARE Hospitality and Services Private Limited of ₹ 10/- each fully paid up	520.51	519.71
1,800,000 (March 31, 2022: 1,800,000) equity shares in Uniq Security Solutions Services Private Limited (formerly known as Uniq Detective and Security Services Private Limited) of ₹ 10/- each fully paid up *	1,032.53	1,032.53
10,000 (March 31, 2022: 10,000) equity shares in SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited) of ₹ 10/- each fully paid up	0.10	0.10
10,000 (March 31, 2022: 10,000) equity shares in SIS Business Support Services and Solutions Private Limited of ₹ 10/- each fully paid up	0.10	0.10
29,000,000 (March 31, 2022: 29,000,000) equity shares in SIS Alarm Monitoring and Response Services Private Limited of ₹ 10/- each fully paid up	295.68	294.56
1,010,000 (March 31, 2022: 10,000) equity shares in One SIS Solutions Private Limited of ₹ 10/- each fully paid up	10.10	0.10
Total investment in subsidiaries (A)	**5,420.68**	**5,338.98**
Investment in joint ventures (at cost unless stated otherwise)		
7,788,892 (March 31, 2022: 7,788,892) equity shares in SIS Cash Services Private Limited of ₹ 10/- each fully paid up	77.89	77.89
Total investment in joint ventures (B)	**77.89**	**77.89**
Investment in others (at FVTPL)		
30 (March 31, 2022: Nil) equity shares in Staqu Technologies Private Limited of ₹ 10/- each fully paid up	0.18	-
Total Investment in others (C)	**0.18**	**-**
Total investment in equity instruments (D=A+B+C)	**5,498.75**	**5,416.87**

All amounts in ₹ Million, unless stated otherwise

6. Investments (Contd.)

Particulars	March 31, 2023	March 31, 2022
Investment in preference shares (at FVTPL)		
Unquoted preference shares (fully paid)		
Investment in others		
7,773 (March 31, 2022: Nil) Class-2 compulsory convertible cumulative preference shares in Staqu Technologies Private Limited of ₹ 10/- each fully paid up	50.01	-
2,169 (March 31, 2022: Nil) Compulsory convertible preference shares in Staqu Technologies Private Limited of ₹ 542/- each fully paid up	13.26	-
Total investment in preference shares (E)	**63.27**	**-**
Investments in debentures or bonds (at amortised cost)		
175 (March 31, 2022: 175) Non-convertible debentures in SIS Cash Services Private Limited of ₹ 1,000,000/- each fully paid up ***	125.00	175.00
120 (March 31, 2022: 120) Non-convertible debentures in SIS Alarm Monitoring and Response Services Private Limited of ₹ 1,000,000/- each fully paid up***	20.00	120.00
300,000 (March 31, 2022: 300,000) Optionally convertible debentures in Terminix SIS India Private Limited of ₹ 100/- each fully paid up**	-	29.45
49 (March 31, 2022: 49) Optionally convertible debentures in Service Master Clean Limited of ₹ 1,000,000/- each fully paid up	26.57	24.16
Total investments in debentures or bonds (F)	**171.57**	**348.61**
Total non-current investments (D+E+F)	**5,733.59**	**5,765.48**
Current investments		
Investments in debentures or bonds (at amortised cost)		
Optionally convertible debentures in Terminix SIS India Private Limited of ₹ 100/- each fully paid up**	29.89	-
Non-convertible debentures in SIS Cash Services Private Limited of ₹ 1,000,000/- each fully paid up ***	50.00	-
Non-convertible debentures in SIS Alarm Monitoring and Response Services Private Limited of ₹ 1,000,000/- each fully paid up***	100.00	-
Total current investments	**179.89**	**-**
Total investments	**5,913.48**	**5,765.48**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	5,913.48	5,765.48
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, 2023 and March 31, 2022.*

** *During the year ended March 31, 2023, current maturity of optionally convertible debentures in Terminix SIS India Private Limited amounting to ₹ 29.89 Million (March 31, 2022: Nil) has been disclosed under current investments.*

*** *During the year ended March 31, 2023, current maturity of Non-convertible debentures in SIS Cash Services Private Limited and SIS Alarm Monitoring and Response Services Private Limited amounting to ₹ 50 Million & ₹ 100 Million respectively (March 31, 2022: Nil) has been disclosed under current investments.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

7. Other financial assets

Particulars	March 31, 2023	March 31, 2022
Other non-current financial assets		
Security deposits (unsecured, considered good)	150.22	263.27
Loans to related parties (unsecured, considered good)	141.21	234.59
Margin money in the form of fixed deposits *	21.52	94.18
Fixed deposit maturing after 12 months	146.60	4.75
Other non-current financial assets	0.34	0.34
Total other non-current financial assets	**459.89**	**597.13**
Other current financial assets		
Unbilled revenue ** (Refer note 23)	2,561.39	2,186.59
Security deposits (unsecured, considered good)	134.53	94.14
Interest accrued on deposits/investments/loans	112.64	10.89
Other receivables	139.94	66.96
Total other current financial assets	**2,948.50**	**2,358.58**
Total financial assets	**3,408.39**	**2,955.71**

* *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, 2023 and March 31, 2022 are:

Statement of profit and loss:

Profit or loss section:

Particulars	March 31, 2023	March 31, 2022
Current income tax:		
Current income tax charge	29.25	32.11
Adjustments in respect of current income tax expense/(reversal) of previous years	84.86	-
Deferred tax:		
Decrease/(increase) in deferred tax assets (net)	(666.29)	(215.60)
Income tax expense/(credit) reported in the statement of profit and loss	**(552.18)**	**(183.49)**

OCI section:

Tax related to items recognized in OCI during the year:

Particulars	March 31, 2023	March 31, 2022
Tax expense/(credit) on re-measurements of defined benefit plans	22.12	(20.29)
Income tax charged/(credited) to OCI	**22.12**	**(20.29)**

All amounts in ₹ Million, unless stated otherwise

8. Income tax (Contd.)

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

Particulars	March 31, 2023	March 31, 2022
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, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax from continuing operations	1,349.12	1,155.52
Accounting profit before income tax	1,349.12	1,155.52
Statutory income tax rate	25.17%	25.17%
Income tax expense at statutory rate	339.55	290.82
Additional temporary tax deductible in respect of certain benefits under the Income Tax Act, 1961	(982.81)	(463.01)
Non-deductible expenses for tax purposes		
Corporate social responsibility expenditure	1.83	3.33
Donation	1.73	0.45
Other non-deductible expenses	2.66	(0.10)
Adjustments in respect of current income tax expense/(reversal) of previous years	84.86	-
Income taxed at differential rates		
Dividend from foreign subsidiaries taxed at a different/lower rate	-	(14.98)
Tax expense reported in the statement of profit and loss	**(552.18)**	**(183.49)**

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

Particulars	March 31, 2023	March 31, 2022
Property, plant and equipment/Intangible assets	145.55	118.14
Defined benefit obligations	364.78	301.39
Deductions in respect of certain benefits under the Income Tax Act, 1961	809.55	308.67
Accruals and others	258.36	238.49
Allowance for expected credit loss – trade receivables	110.07	77.45
Unused tax losses	1.52	1.52
Total deferred tax assets/(liabilities)	**1,689.83**	**1,045.66**

Reflected in the balance sheet as follows:

Particulars	March 31, 2023	March 31, 2022
Deferred tax assets	1,689.83	1,045.66
Deferred tax liabilities	-	-
Deferred tax assets/(liabilities), net	**1,689.83**	**1,045.66**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

8. Income tax (Contd.)

Reconciliation of deferred tax assets/(liabilities), net:

Particulars	Property, plant and equipment /Intangible assets	Defined benefit obligations	Deductions in respect of certain benefits under the Income Tax Act, 1961	Accruals and others	Allowance for expected credit loss – trade receivables	Unused tax losses	Total
As at April 01, 2021	**112.70**	**202.09**	**206.18**	**234.33**	**52.95**	**1.52**	**809.77**
Tax income/(expense) during the period recognized in profit or loss	5.44	79.01	102.49	4.16	24.50	-	215.60
Tax income/(expense) during the period recognized in OCI	-	20.29	-	-	-	-	20.29
As at March 31, 2022	**118.14**	**301.39**	**308.67**	**238.49**	**77.45**	**1.52**	**1,045.66**
Tax income/(expense) during the period recognized in profit or loss	27.41	85.51	500.88	19.87	32.62	-	666.29
Tax income/(expense) during the period recognized in OCI	-	(22.12)	-	-	-	-	(22.12)
As at March 31, 2023	**145.55**	**364.78**	**809.55**	**258.36**	**110.07**	**1.52**	**1,689.83**

Income tax assets:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**1,410.12**	**938.14**
Taxes paid	640.31	500.39
Refund received	(816.22)	-
Current tax payable for the year	(29.25)	(28.41)
Income tax assets	**1,204.96**	**1,410.12**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

9. Other Assets

Particulars	March 31, 2023	March 31, 2022
Other non-current assets		
Capital advances	30.44	29.25
Other advances	0.05	2.58
Total other non-current assets	**30.49**	**31.83**
Other current assets		
Prepaid expenses	202.15	91.20
Costs to obtain/fulfil contract with customers	0.72	9.17
Other advances	91.56	230.71
Other current assets*	335.43	114.28
Total other current assets	**629.86**	**445.36**
Total other assets	**660.35**	**477.19**

** Includes balance with revenue authorities.*

10. Inventories

Particulars	March 31, 2023	March 31, 2022
Uniforms	150.57	147.20
Total inventories at the lower of cost and net realizable value	**150.57**	**147.20**

All amounts in ₹ Million, unless stated otherwise

11. Trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	7,379.98	5,379.83
Less: Allowance for expected credit loss	516.91	307.74
Total trade receivables	**6,863.07**	**5,072.09**

Break-up of security details:

Particulars	March 31, 2023	March 31, 2022
Secured, considered good	-	-
Unsecured, considered good	6,863.07	5,072.09
Total	**6,863.07**	**5,072.09**

The amount of loss allowance (lifetime expected credit loss) has been recognized under the Simplified approach for trade receivable and hence break-up of trade receivable into 'significant increase in credit risk' and 'credit impaired' has not been disclosed separately.

The ageing schedule for outstanding trade receivables from the due date is given below:

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	3,265.96	2,483.59	498.92	469.18	304.21	324.53	7,346.39
(ii) Disputed trade receivables – considered good	-	-	4.60	4.22	0.70	24.07	33.59

Year ended March 31, 2022

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	1,412.15	2,634.25	379.33	295.78	150.72	440.01	5,312.24
(ii) Disputed trade receivables – considered good	0.24	18.88	6.67	10.12	5.53	26.15	67.59

The movement in allowances for expected credit loss is as follows:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**307.74**	**210.41**
Additions	209.17	97.33
Write off (net of recovery)	-	-
Closing balance	**516.91**	**307.74**

No trade receivables 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 trade receivables and Company’s credit risk management processes.

For outstanding balances, terms and conditions relating to related party receivables, refer note 39.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

12. Cash and bank balances

Cash and cash equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with banks:		
– On current accounts	183.44	560.44
– Bank deposits with original maturity of three months or less*	816.58	740.69
Cash on hand	2.47	1.87
Total	**1,002.49**	**1,303.00**

** Includes amount pledged as security/margin money against guarantees issued by banks on behalf of the Company.*

Bank balances lying in various current accounts bear no interest.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

Other bank balances

Particulars	March 31, 2023	March 31, 2022
Unclaimed dividend accounts	1.04	1.05
Deposits with original maturity of more than three months and having remaining maturity of less than twelve months from reporting date	360.31	100.15
Margin money *	175.08	182.78
Total	**536.43**	**283.98**

** Pledged as security/margin money against guarantees issued by banks on behalf of the Company*

13. Equity Share capital

Authorized share capital

Particulars	(Nos. in Million)	(₹ Million)
As at April 01, 2021 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**
Increase/(decrease) during the year	-	-
As at March 31, 2022 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**
Increase/(decrease) during the year	-	-
As at March 31, 2023 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**

Issued, Subscribed and paid up equity capital

Particulars	(Nos. in Million)	(₹ Million)
As at April 01, 2021 (Equity shares of ₹ 5 each)	**148.30**	**741.51**
Issued on exercise of stock options	0.55	2.74
Buyback of equity shares	(1.82)	(9.09)
As at March 31, 2022 (Equity shares of ₹ 5 each)	**147.03**	**735.16**
Issued on exercise of stock options	0.15	0.76
Buyback of equity shares	(1.45)	(7.27)
As at March 31, 2023 (Equity shares of ₹ 5 each)	**145.73**	**728.65**

All amounts in ₹ Million, unless stated otherwise

13. Equity Share capital (Contd.)

During the year ended March 31, 2023, pursuant to the approval of the Board of Directors of the Company, at its meeting held on June 29, 2022, and the shareholders, by way of a special resolution through postal ballot, on August 12, 2022, 1,454,545 equity shares of face value of ₹ 5 each of the Company were offered for buyback by the Company to all eligible shareholders, through the tender offer process, for an aggregate amount not exceeding ₹ 800 Million, being 0.99% of the total paid up equity share capital of the Company as on March 31, 2022, at ₹ 550 per equity share, as per the provisions of the Security and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended and the Companies Act, as amended. The said buyback through the tender offer process was completed on November 11, 2022. The Company has funded the buyback from its free reserves as required under the said regulations. As a result of the buyback, 1,454,545 equity shares of face value of ₹ 5 each were extinguished by appropriating a sum of ₹ 792.73 Million from the securities premium and an amount of ₹ 7.27 Million, being a sum equal to the nominal value of the Equity Shares bought back through the buyback have been transferred to the capital redemption reserve account.

During the year ended March 31, 2022, pursuant to the approval of the Board of Directors of the Company, at its meeting held on February 15, 2021, and the shareholders, by way of a special resolution through postal ballot, on March 20, 2021, 1,818,181 equity shares of face value of ₹ 5 each of the Company were offered for buyback by the Company to all eligible shareholders, through the tender offer process, for an aggregate amount not exceeding 1,000 Million, being 1.24% of the total paid up equity share capital of the Company as on March 31, 2020, at ₹ 550 per equity share, per the provisions of the Security and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended and the Companies Act, as amended. The said buyback through the tender offer process was completed on June 21, 2021. The Company has funded the buyback from its free reserves as required under the said regulations. As a result of the buyback, 1,818,181 equity shares of face value of ₹ 5 each were extinguished by appropriating a sum of ₹ 990.91 Million from the securities premium and an amount of ₹ 9.09 Million, being a sum equal to the nominal value of the Equity Shares bought back through the Buyback have been transferred to the capital redemption reserve account.

Notes (pre share sub-division effect):

a) 2,210,500 and 62,457,240 equity shares were allotted as fully paid Bonus Shares by capitalization of general reserve during the year ended March 31, 2006 and March 31, 2017 respectively.

b) Mr. Uday Singh was the holder of 79,000 unpaid shares in SIS International Holdings Ltd., a wholly-owned subsidiary. In terms of a letter dated December 01, 2009, Mr. Singh had the option to exchange these shares for shares of the Company in a manner reflecting the fair value of these shares, reduced by the amounts unpaid on them. Subsequently, in lieu of these shares and suitably adjusted for amounts unpaid thereon, Mr. Singh was allotted 40,565 Equity Shares during the year ended March 31, 2017, at a ratio as determined in accordance with a valuation report prepared by a SEBI registered merchant banker.

c) During the year ended March 31, 2018, the Company completed an Initial Public Offering (IPO) of its shares consisting of a fresh offer of 4,444,785 equity shares of ₹ 10 each at a premium of ₹ 805 per share and an offer for sale of 5,120,619 equity shares of ₹ 10 each by the selling shareholders. The proceeds of the fresh offer component from the IPO amounted to ₹ 3,410.47 (Million) (net of issue expenses). The equity shares of the Company were listed on NSE and BSE effective August 10, 2017.

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share and to participate in dividends in proportion to the number of and amounts paid on the shares held. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. in Million	% holding in the class	No. in Million	% holding in the class
Ravindra Kishore Sinha	57.16	39.23%	57.65	39.21%
Rita Kishore Sinha	23.31	16.00%	23.51	15.99%
Rituraj Kishore Sinha	15.66	10.74%	15.79	10.74%

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

13. Equity Share capital (Contd.)

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, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019 *
	No.	No.	No.	No.	No.
Equity shares allotted as fully paid bonus shares by capitalization of general reserve	-	-	10,480	10,480	211,960
Equity shares allotted as fully paid up without payment being received in cash	-	-	-	-	-
Buyback of equity shares	1,454,545	1,818,181	-	-	-

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

Details of promoter shareholding in the Company

Year ended March 31, 2023

S. No.	Name of the Promoter	Equity shares as on April 01, 2022 (in Nos.)	% holding in the class	Equity shares as on March 31, 2023 (in Nos.)	% holding in the class	% Change during the year
Promoters						
1.	Ravindra Kishore Sinha	57,648,582	39.21%	57,163,671	39.23%	0.02%
2.	Rituraj Kishore Sinha	15,791,311	10.74%	15,658,482	10.74%	0.00%
Total		**73,439,893**		**72,822,153**		

Year ended March 31, 2022

S. No.	Name of the Promoter	Equity shares as on April 01, 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**		

Shares reserved for issue under options

Employees stock options

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

14. Other equity

Particulars	March 31, 2023	March 31, 2022
Reserves and surplus		
Securities premium	2,334.27	3,123.34
General reserve	566.47	563.94
Retained earnings	5,485.90	3,703.48
Total reserves and surplus (A)	**8,386.64**	**7,390.76**
Other reserves		
Stock options outstanding account	334.87	225.41
Debenture redemption reserve	-	-
Capital redemption reserve	16.36	9.09
Total other reserves (B)	**351.23**	**234.50**
Share application money pending allotment (C)	-	0.02
Total other equity (A+B+C)	**8,737.87**	**7,625.28**

All amounts in ₹ Million, unless stated otherwise

14. Other equity (Contd.)

Securities premium

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**3,123.34**	**4,078.79**
Exercise of stock options	23.55	55.28
Buyback of equity shares	(800.00)	(1,000.00)
Transaction cost related to buyback of equity shares (net of taxes)	(12.62)	(10.73)
Balance at the end of year	**2,334.27**	**3,123.34**

General reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**563.94**	**188.94**
Transferred from debenture redemption reserve	-	375.00
Transferred from stock options outstanding account on stock options expired	2.53	-
Balance at the end of year	**566.47**	**563.94**

Retained earnings

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**3,703.48**	**2,655.65**
Net Profit/(loss) for the year	1,901.30	1,339.01
Items of other comprehensive income recognized directly in retained earnings		
– Remeasurements of post-employment benefit plans directly in retained earnings	65.79	(60.34)
Appropriations -		
– Tax on buyback of equity shares	(184.67)	(230.84)
Balance at the end of year	**5,485.90**	**3,703.48**

Stock options outstanding account

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**225.41**	**77.23**
Stock option compensation expense	135.54	203.46
Transferred to securities premium on exercise of stock options	(23.55)	(55.28)
Transferred to general reserve on stock options expired	(2.53)	-
Balance at the end of year	**334.87**	**225.41**

Debenture redemption reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**-**	**375.00**
Created from retained earnings	-	-
Transfer to general reserves	-	(375.00)
Balance at the end of year	**-**	**-**

Capital redemption reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**9.09**	**-**
Created on buyback of equity shares	7.27	9.09
Balance at the end of year	**16.36**	**9.09**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

14. Other equity (Contd.)

Share application money pending allotment

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**0.02**	**0.29**
Share application money received during the year	0.70	2.47
Issued on exercise of stock options	(0.72)	(2.74)
Balance at the end of year	**-**	**0.02**

Nature and purpose of Reserves

Securities Premium

Security premium is used to record the premium on issue of shares or other securities such as debentures or bonds. The reserve is utilized in accordance with the Companies Act, 2013.

General Reserve

The general reserve is the result of a company's transferring a certain amount of profit from the account of retained earnings to the general reserve account. The purpose of setting up a general reserve account is to meet potential future unknown liabilities. In other words, the general reserve is a free reserve which can be utilized for any purpose after fulfilling certain conditions.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

Stock Options outstanding Account

The stock options outstanding account is used to recognize the grant date fair value of options issued to employees under the Company's' employee stock option plans. The share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to note 28 for further details.

Debenture redemption reserve

Pursuant to the provisions of the Act, the Company is required to create debenture redemption reserve out of the profits which is to be utilized for the purpose of redemption of debentures. On redemption of the debentures, the related amount of this reserve will be transferred to retained earnings.

Capital redemption reserve

As per the Companies Act, 2013, Capital redemption reserve is created when a company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. This reserve can be utilized in accordance with the provisions of Section 69 of the Companies Act, 2013.

Share application money pending allotment

Share application money pending allotment represents the exercise price received from employees of the Company against stock options on which allotment is not yet made.

All amounts in ₹ Million, unless stated otherwise

15. Borrowing's

Particulars	Note	March 31, 2023	March 31, 2022
Non-current borrowings			
Secured			
Bonds/debentures			
– Non-convertible debentures	a	-	1,894.32
Term loans			
From banks			
– Kotak Mahindra Bank Limited	b	67.74	157.83
– Standard Chartered Bank	c	254.24	152.36
– Vehicle loan from various banks	d	225.21	121.41
From other parties			
– Axis Finance Limited	e	940.12	-
– Bajaj Finance Limited	f	940.22	-
– Vehicle loan from others	g	18.53	36.35
Total secured borrowings		**2,446.06**	**2,362.27**
Unsecured			
Bonds/ debentures			
Rupee denominated bonds issued to SIS Australia Group Pty. Limited, a subsidiary company	h	748.20	747.58
Total unsecured borrowings		**748.20**	**747.58**
Total non-current borrowings		**3,194.26**	**3,109.85**
Less: Current maturity of long-term borrowings (refer table below)		(289.73)	(2,098.77)
Non-current borrowings		**2,904.53**	**1,011.08**
Current borrowings			
Secured			
Loans repayable on demand			
From banks			
– Kotak Mahindra Bank Limited	i	19.50	-
– Axis Bank Limited	i	588.94	800.22
– HDFC Bank Limited	i	1,500.00	1,000.00
– ICICI Bank Limited	i	666.65	676.85
– Standard Chartered Bank	i	200.00	-
– State Bank of India	j	640.00	420.73
– Yes Bank Limited	k	600.00	390.66
Total secured borrowings		**4,215.09**	**3,288.46**
Unsecured			
Loans repayable on demand			
From Banks			
– HDFC Bank Limited		200.00	-
Total unsecured borrowings		**200.00**	**-**
Add: Current maturity of long-term borrowings (refer table below)		289.73	2,098.77
Current borrowings		**4,704.82**	**5,387.23**
Aggregate secured borrowings		6,661.15	5,650.73
Aggregate unsecured borrowings		948.20	747.58

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

15. Borrowing's (Contd.)

Breakup of current maturity of long-term borrowings:

Particulars	March 31, 2023	March 31, 2022
Secured		
Bonds/debentures	-	1,894.32
Term loans		
From banks	277.29	186.67
From other parties	12.44	17.78
Unsecured	-	-
Total current maturity of long-term borrowings	**289.73**	**2,098.77**

Notes:

Long-Term Borrowings - Secured:

Bonds/debentures:

a) i) ICICI Prudential Assets Management Company Limited has subscribed to 1,900 non-convertible debentures (NCDs) of ₹ 1,000,000/- each on March 30, 2021. The NCDs carried interest @ 7.90% per annum, payable annually. The NCDs were secured against 85.68% shareholding in Dusters total solutions services private limited, a subsidiary of the Company. The debentures were redeemable after 2 years from the date of issue. i.e., March 30, 2023. During the year ended March 31, 2023, NCDs has been repaid on maturity.

Term loans:

From Banks:

b) Secured by way of first charge on the movable fixed assets of the Company purchased out of the term loan proceeds and second parri passu charge on receivables/ current assets of the Company both present and future. The loan is repayable in 18 equal quarterly instalments commenced from the end of the 1st quarter of FY 2019-20 after the end of moratorium Period of six months and last installment repayment is scheduled in fourth quarter of FY 2023-24.

c) Secured by way of first charge on the Monitoring equipment purchased out of the term loan proceeds. The loan is repayable in 12 equal quarterly instalments commenced from the end of the fourth quarter of FY 2021-22 and last installment repayment is scheduled in third quarter of FY 2024- 25.

d) Vehicle Loan from banks are secured by hypothecation of vehicles purchased against the loan taken from that Bank. The loans have various repayment schedules and last instalment repayment is scheduled in FY 2028-29.

The terms loans mentioned above except vehicle loans, carry interest at quarterly/ half-yearly/ year MCLR/ Mibor/ Repo plus spread margin ranging from 75 bps to 315 bps (March 31, 2022: 75 bps to 315 bps). The vehicle loans carry interest from 7.10% to 9.75% per annum.

From Other Parties:

e) Secured by way of first pari passu charge on current and non-current assets of Dusters Total Solution Services Private Limited & Uniq Security Solutions Private Limited (subsidiaries of the Company) and 13% pledge of shares of Dusters Total Solutions Services Private Limited. The loan is repayable on 5 semi-annual equal instalment commenced from the end of fourth quarter of FY 2024-25 after the moratorium of 1.5 years and last payment of repayment is scheduled on fourth quarter of FY 2026-27.

f) Secured by way of first pari passu charge on current and movable fixed assets of Dusters Total Solutions Services Private Limited & UNIQ Security Solutions Private Limited (subsidiaries of the Company) and 13% pledge of shares of Dusters Total Solutions Services Private Limited. The loan is repayable on 8 equal quarterly instalment commenced from the end of first quarter of FY 2024-25 after the moratorium of 1 year and last payment of repayment is scheduled on fourth quarter of FY 2025-26.

g) Vehicle Loan from other financiers are secured by hypothecation of the respective vehicle(s) purchased against the loan taken from that financier(s). The loans carry interest from 7.50% to 10.50% per annum and have various repayment schedules and last instalment repayment is scheduled in FY 2025-2026.

Long-term borrowings – Unsecured:

Bonds/debentures:

h) SIS Australia Group Pty. Limited, a subsidiary, has subscribed to 750 Rupee Denominated Bonds (RDBs) of face value of ₹ 1,000,000/- each. The RDBs will constitute direct, unconditional and unsecured obligations of the Company to repay the issue price plus interest @ 8% per annum. These RDB's shall be redeemed within 9 years (redemption due by August, 2025) from the date of issue with a lock-in-period of 3 years from the date of issue and interest is payable half yearly.

Being a fixed interest instrument, Transfer pricing (TP) compliance has already been done for this transaction under fixed interest agreement and it is within allowed premises for TP compliance.

Short-term borrowings – Secured/Unsecured loans repayable on demand:

i) Secured by first pari passu charges over the current assets and immovable fixed assets and second pari passu charge over movable fixed assets.

j) Secured by first pari passu charges over the current assets and movable fixed assets (both present and future) of the Company and second pari passu charge is with other working capital lenders.

k) Secured by first pari passu charge over current assets both present and future.

l) The short-term borrowing charges are excluding assets specifically charged to term loan lenders, if any.

The loans repayable on demand mentioned above, carry interest at quarterly/ half yearly/ yearly MCLR/ Repo rate/ MIBOR/ TBILL plus spread margin ranging from 25 bps to 125 bps (March 31, 2022: 25 bps to 60 bps) for cash credit facility and ranging from 7.40% p.a. to 7.90% p.a. for WCDL facilities (March 31, 2022: 4.30% p.a. to 4.60% p.a.).

There has been no default in the payment of interest or repayment of principal in respect of the above loans/ borrowings.

All amounts in ₹ Million, unless stated otherwise

16. Lease Liabilities

Particulars	March 31, 2023	March 31, 2022
Non-current lease liabilities	398.52	414.30
Current lease liabilities	96.93	76.13
Total lease liabilities	**495.45**	**490.43**

Movement of lease liabilities during the year

Particulars	March 31, 2023	March 31, 2022
Opening balance	**490.43**	**453.46**
Additions	96.66	109.88
Deletions	-	(1.09)
Finance cost accrued during the year	62.43	58.49
Payment of lease liability	(154.07)	(130.31)
Closing balance	**495.45**	**490.43**

The Company does not expect potential exposure to variable lease payments, extension / termination options, guaranteed residual value and lease commitments.

17. Trade payables

Particulars	March 31, 2023	March 31, 2022
Non-current	-	-
Current		
Trade payables		
– total outstanding dues of micro enterprises and small enterprises (MSME)	24.30	6.13
– total outstanding dues of creditors other than micro enterprises and small enterprises	199.88	124.21
Total current trade payables	**224.18**	**130.34**
Total	**224.18**	**130.34**

The terms and conditions of the above financial liabilities are as follows:

a) Trade payables are non-interest bearing and are normally settled on credit terms ranging from 30-60 days which vary by vendor and type of service.

b) For outstanding balances, terms and conditions with related parties, refer to note 39.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

17. Trade payables (Contd.)

The ageing schedule for outstanding trade payables from due date is given below:

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	12.47	11.83	-	-	-	24.30
(ii) Others	82.30	109.52	7.43	0.51	0.12	199.88

Year ended March 31, 2022

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6.06	0.07	-	-	-	6.13
(ii) Others	70.86	51.15	2.00	0.11	0.09	124.21

There are no disputed dues during the year ended March 31, 2023 and March 31, 2022.

Based on the information available with the Company, the amount payable to creditors who have been identified as "suppliers" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006" is as below:

Particulars	March 31, 2023	March 31, 2022
Principal amount and the interest [₹ Nil (March 31, 2022 –Nil)] due thereon	24.30	6.13
Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

18. Other financial liabilities

Particulars	March 31, 2023	March 31, 2022
Non-current		
Financial guarantees	1.47	5.87
Total other non-current financial liabilities	**1.47**	**5.87**
Current		
Capital creditors	74.72	-
Interest accrued but not due on borrowings	32.79	25.06
Financial guarantees	4.19	0.64
Unclaimed/unpaid dividends	1.04	1.05
Employee benefits payable	2,925.32	2,372.77
Other payables and accruals *	195.96	126.92
Total other current financial liabilities	**3,234.02**	**2,526.44**
Total other financial liabilities	**3,235.49**	**2,532.31**

** Includes unbilled dues having ageing of less than one year.*

All amounts in ₹ Million, unless stated otherwise

18. Other financial liabilities (Contd.)

Details of loan given, investments made and guarantee given covered U/S 186(4) of the Companies Act, 2013.

Corporate guarantees given by the Company in respect of borrowings taken by subsidiaries:

Particulars	March 31, 2023	March 31, 2022
Tech SIS Limited	70.00	50.00
Service Master Clean Limited	1,895.00	1,895.00
SIS Alarm Monitoring and Response Services Private Limited	530.00	550.00
SLV Security Services Private Limited	895.00	895.00
Rare Hospitality and Services Private Limited	270.26	270.26
Total	**3,660.26**	**3,660.26**

Loans given and investments made are given under the respective heads.

19. Financial instruments by category

Particulars	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets:						
Investments						
– Equity instruments	0.18	-	-	-	-	-
– Preference shares	63.27	-	-	-	-	-
– Bonds and debentures	-	-	351.46	-	-	348.61
Trade receivables	-	-	6,863.07	-	-	5,072.09
Cash and cash equivalents	-	-	1,002.49	-	-	1,303.00
Other bank balances	-	-	536.43	-	-	283.98
Loans	-	-	141.21	-	-	234.59
Other financial assets	-	-	3,267.18	-	-	2,721.12
Total financial assets	**63.45**	**-**	**12,161.84**	**-**	**-**	**9,963.39**
Financial liabilities:						
Trade payables	-	-	224.18	-	-	130.34
Borrowings	-	-	7,609.35	-	-	6,398.31
Lease liabilities	-	-	495.45	-	-	490.43
Other financial liabilities	-	-	3,235.49	-	-	2,532.31
Total financial liabilities	**-**	**-**	**11,564.47**	**-**	**-**	**9,551.39**

Fair value hierarchy

The assets measured at fair value on a recurring basis and the basis for that measurement is as below:

	March 31, 2023			March 31, 2022		
	Level 1 inputs	Level 2 inputs	Level 3 inputs	Level 1 inputs	Level 2 inputs	Level 3 inputs
Financial Assets:						
Investments carried at FVTPL	-	-	63.45	-	-	-
Total Financial Assets	**-**	**-**	**63.45**	**-**	**-**	**-**

Valuation methodologies:

Investment in equity / preference instruments: The Company's investments consist primarily of investment in equity / preference shares of unquoted companies. Management has considered the cost to be approximating to fair value of such investments.

All of the resulting fair value estimates are included in Level 3 as the fair values have been determined based on present values and discount rates used are adjusted for counter party or own credit risk.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

19. Financial instruments by category (Contd.)

The following table presents the change in Level 3 items for the periods ended March 31, 2023 and March 31, 2022:

Particulars	Investments carried at FVTPL
As at April 1, 2021	**-**
Changes during the year	-
As at March 31, 2022	**-**
Additions	63.45
As at March 31, 2023	**63.45**
Unrealised fair value (gains) / losses recognized in statement of profit and loss related to assets and liabilities held at the end of the reporting period:	
March 31, 2023	**-**
March 31, 2022	**-**

Fair Values of assets and liabilities carried at amortized costs are as follows:

Particulars	Fair value hierarchy	March 31, 2023		March 31, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:					
Investments	Level 2	351.46	355.80	348.61	379.47
Trade receivables		6,863.07	6,863.07	5,072.09	5,072.09
Cash and cash equivalents		1,002.49	1,002.49	1,303.00	1,303.00
Other bank balances		536.43	536.43	283.98	283.98
Loans	Level 2	141.21	143.34	234.59	259.24
Other financial assets		3,267.18	3,267.18	2,721.12	2,721.12
Total financial assets		**12,161.84**	**12,168.31**	**9,963.39**	**10,018.90**
Financial liabilities:					
Trade payables		224.18	224.18	130.34	130.34
Borrowings – floating rate		6,617.41	6,617.41	3,598.65	3,598.65
Borrowings – fixed rate	Level 2	991.94	941.96	2,799.66	2,794.88
Lease liabilities		495.45	495.45	490.43	490.43
Other financial liabilities		3,235.49	3,235.49	2,532.31	2,532.31
Total financial liabilities		**11,564.47**	**11,514.49**	**9,551.39**	**9,546.61**

The Company has assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables, bank overdrafts, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of investments, loans given and fixed rate borrowings are calculated based on fixed cash flows discounted using weighted average cost of debt as on balance sheet date and accordingly classified under level 2 fair values in the fair value hierarchy due to the use of significant observable inputs.

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements:

Particulars	Fair value as at		Significant unobservable inputs	Sensitivity
	March 31, 2023	March 31, 2022		
Unquoted investments	63.45	-	Cost	Management has considered cost to be approximating to fair value of such investments.

All amounts in ₹ Million, unless stated otherwise

19. Financial instruments by category (Contd.)

Valuation processes

The finance department of the Company includes the team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every 3 months, in line with the Company's quarterly reporting period. External valuer's assistance is also taken for valuation purposes where required.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management group.
- Volatility used for option pricing model is based on historical volatility of comparable companies.
- Contingent consideration – estimated based on expected cash outflows arising from the forecasted sales and the entities; knowledge of the business and how the current economic environment is likely to impact it.

20. Provisions

Particulars	March 31, 2023		March 31, 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits (refer note 27):				
Gratuity	813.45	103.70	786.90	62.71
Compensated absences	-	73.80	-	63.56
Total	**813.45**	**177.50**	**786.90**	**126.27**

21. Other liabilities

Particulars	March 31, 2023	March 31, 2022
Other non-current liabilities	-	-
Other current liabilities		
Statutory dues payable	1,200.46	1,077.67
Unearned Income (refer note 23)	0.72	9.17
Total other current liabilities	**1,201.18**	**1,086.84**
Total other liabilities	**1,201.18**	**1,086.84**

22. Government grants

Particulars	March 31, 2023	March 31, 2022
As at the beginning of the year	**-**	**-**
Received during the year	-	13.25
Released to the statement of profit and loss	-	(13.25)
As at the end of the year	**-**	**-**
Current	-	-
Non-current	-	-

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme/Provident Fund in respect of new employees joined till March 31, 2019 meeting specified criteria. The grant is paid by the Government on a monthly basis in the first three years of employment of eligible new employees on fulfilment of certain conditions. Accordingly, such Government Grant is taken to profit or loss when the conditions are met.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

23. Revenue from operations

Particulars	March 31, 2023	March 31, 2022
Sale of products (traded goods)		
Revenue from sale of electronic security devices	165.36	206.79
Total (A)	**165.36**	**206.79**
Rendering of services		
Security services		
From guarding and other security services	38,886.70	32,245.66
Other services		
From training fees	122.25	95.41
Total rendering of services	**39,008.95**	**32,341.07**
Other operating revenues*	674.41	630.61
Total (B)	**39,683.36**	**32,971.68**
Revenue from operations (A+B)	**39,848.72**	**33,178.47**

**Includes revenue from the sale of uniforms to employees.*

Disaggregate revenue information

The following table presents the disaggregated revenue from contracts with customers.

Particulars	March 31, 2023	March 31, 2022
Revenue by time of recognition		
At a point in time (sale of equipments)	165.36	206.79
Over the period of time	39,683.36	32,971.68
Total	**39,848.72**	**33,178.47**

Contract balances:

The following table provides information about unbilled revenue and unearned income from contract with customers:

Particulars	March 31, 2023		March 31, 2022	
	Unbilled revenue	Unearned Income	Unbilled revenue	Unearned Income
Opening balance	**2,186.59**	**9.17**	**1,951.52**	**17.63**
Revenue recognized that was included in unearned income at the beginning of the year	-	(9.17)	-	(17.63)
Increase due to cash received, excluding amounts recognized as revenue during the year	-	0.72	-	9.17
Transfers from unbilled revenue, recognized at the beginning of the year, to receivables	(2,186.59)	-	(1,951.52)	-
Increase due to revenue recognized during the year, excluding amounts billed during the year	2,561.39	-	2,186.59	-
Closing balance	**2,561.39**	**0.72**	**2,186.59**	**9.17**

Cost to obtain or fulfil a contract with a customer:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**9.17**	**17.63**
Costs incurred and deferred	0.72	9.17
Less: Cost amortized	(9.17)	(17.63)
Closing balance	**0.72**	**9.17**

All amounts in ₹ Million, unless stated otherwise

24. Other income

Particulars	March 31, 2023	March 31, 2022
Interest income*	**174.13**	**126.28**
Dividend income from subsidiaries	520.13	504.94
Total	**694.26**	**631.22**

*Includes interest income on income tax refund

25. Other gain/(loss)

Particulars	March 31, 2023	March 31, 2022
Net gain/(loss) on sale of property, plant and equipment*	(1.00)	2.08
Foreign exchange gain/(loss)	(1.33)	0.83
Other items	0.43	0.04
Total	**(1.90)**	**2.95**

* Includes gain/(loss) on derecognition of Right of use assets

26. Changes in inventory

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	147.20	182.05
Inventory at the end of the year	150.57	147.20
Changes in inventory - (increase)/decrease	**(3.37)**	**34.85**

27. Employee Cost

(a) Employee benefits expense include:

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus	31,512.45	26,457.66
Contribution to provident and other funds	3,424.35	2,946.94
Government grants (Note 22)	-	(13.25)
Employee share-based payment expense	78.47	112.47
Gratuity expense	234.50	182.59
Leave compensation	10.77	(9.11)
Staff welfare expenses	41.48	127.50
Total	**35,302.02**	**29,804.80**

(b) Unfunded Scheme – Leave obligations

Leave obligations cover the Company's liability for sick and earned leave.

The provision for leave obligations is presented as current, since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave within the next 12 months. The following amount reflects leave that is not expected to be taken within the next 12 months:

Particulars	March 31, 2023	March 31, 2022
Current leave obligation not expected to be settled within next 12 months	55.32	48.90

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

27. Employee Cost (Contd.)

Unfunded Schemes:

Particulars	March 31, 2023	March 31, 2022
Present value of unfunded obligations	73.80	63.56
Expenses to be recognized in the statement of profit and loss	10.77	(9.11)
Discount rate (per annum)	7.20%	5.30%
Salary escalation rate (per annum)	8.00%	8.00%

The liability for earned and sick leave is recognized and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

(c) Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% of the salary (subject to a limit of ₹ 15,000 salary per month) as per regulations. The contributions are made to a statutory provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligations in this regard.

Further, contributions are made in respect of Employees' State Insurance Scheme, for specified employees, at the rate of 3.25% of the gross pay as per regulations. The contributions are towards medical benefits provided by the Government to the employees. The contributions are made to employees' state insurance authorities administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligations in this regard.

Contributions to provident fund and employees' state insurance scheme are recognized as an expense as they become payable which coincides with the period during which relevant employee services are received. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Particulars	March 31, 2023	March 31, 2022
Expense recognized during the period towards defined contribution plans	3,424.35	2,946.94

(d) Defined benefits plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary, years of employment with the Company subject to completion of five years of service and other conditions. The gratuity plan is a partly funded plan and the Company makes contributions to a fund administered and operated by a reputed insurance company. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Company has invested the 100% plan assets in the funds managed by insurance companies.

The following tables summarizes the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

Expenditure to be recognized during the year:

Particulars	March 31, 2023	March 31, 2022
Current service cost	191.06	154.39
Past service cost	-	-
Interest cost	43.44	28.20
Total amount recognized in profit or loss	**234.50**	**182.59**
Remeasurements		
Return on plan assets, excluding amounts included in interest income	(5.12)	12.00
Loss/(gain) from changes in financial assumptions	(81.99)	25.66
Loss/(gain) from changes in demographic assumptions	-	-
Experience loss/(gain)	(0.80)	42.97
Total loss/(gain) recognized in other comprehensive income	**(87.91)**	**80.63**

All amounts in ₹ Million, unless stated otherwise

27. Employee Cost (Contd.)

Change in present value of defined benefit obligation is summarized below:

Reconciliation of opening and closing balances of Defined Benefit Obligation	March 31, 2023	March 31, 2022
Defined benefit obligation at the beginning of year	**1,017.69**	**818.12**
Current service cost	191.06	154.39
Past service cost	-	-
Interest cost	47.82	33.25
Remeasurements	(85.86)	68.03
Benefits paid	(78.32)	(56.70)
Liabilities assumed/(settled)	-	0.60
Defined benefit obligation at the end of year	**1,092.39**	**1,017.69**

Reconciliation of fair value of Plan Assets:

Reconciliation of opening and closing balances of fair value of plan assets	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	**168.08**	**175.03**
Interest income	4.38	5.05
Remeasurements	5.12	(12.00)
Contribution by employer	75.98	56.70
Benefits paid	(78.32)	(56.70)
Fair value of plan assets at the closing of the year	**175.24**	**168.08**

Reconciliation of fair value of Assets and Obligations:

Reconciliation of fair value of assets and obligations	March 31, 2023	March 31, 2022
Fair value of plan assets	175.24	168.08
Present value of obligation	(1,092.39)	(1,017.69)
Asset/(liability) recognized in balance Sheet	**(917.15)**	**(849.61)**

The present value of defined benefit obligation relates to active employees only.

The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one-off contributions. The Company intends to continue to contribute to the defined benefit plans to achieve a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Company's plans are shown below:

Principal Assumptions:

Principal actuarial assumptions	March 31, 2023	March 31, 2022
Discount rate	7.20%	5.30%
Future salary increase		
– Non-billing/indirect employees	8.00%	8.00%
– Billing/direct employees	7.00%	7.00%
Attrition rate		
Billing employees		
– Age from 21-30 years	39.00%	39.00%
– 31 & above	28.00%	28.00%
Non billing employees		
– Age from 21-30 years	27.00%	27.00%
– 31-40	16.00%	16.00%
– 41-50	12.00%	12.00%
– 51 & above	16.00%	16.00%

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

27. Employee Cost (Contd.)

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	March 31, 2023	March 31, 2022
Discount rate		
0.5% increase	(1.86%)	(2.05%)
0.5% decrease	1.94%	2.13%
Future salary increases		
0.5% increase	1.87%	2.02%
0.5% decrease	(1.82%)	(1.96%)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment and regulatory changes.

The Company has selected a suitable insurer to manage the funds in such a manner as to ensure that the investment positions are managed with an asset- liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The insurer, on behalf of the Company, actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

Defined benefit liability and employer contributions

The weighted average duration of the post-employment benefit plan obligations and expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	March 31, 2023	March 31, 2022
The weighted average duration of the post-employment benefit plan obligations (in years)	3.80	4.06
Expected contribution to the fund during next year	60.00	60.00

Maturity profile:	March 31, 2023	March 31, 2022
Less than a year	278.92	230.78
Between 1-2 years	231.54	200.75
Between 2-5 years	482.97	421.81
Over 5 years	511.43	454.03
Total	**1,504.86**	**1,307.37**

(e) The Code on Wages, 2019 and the Code on Social Security, 2020 have been notified through Gazette of India after assent of Hon'ble President of India which govern, and are likely to impact, the contributions by the Company towards certain employee's benefits. Notification of the rules of these codes are pending. The effective date of implementation of these Codes has not yet been notified and the Company will assess the impact of these codes as and when they come into effect and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective.

All amounts in ₹ Million, unless stated otherwise

28. Share-based payments

The Company has two Employee Stock Option plans namely ESOP 2008 and ESOP 2016.

ESOP 2008 (pre share sub-division effect)

(a) Under ESOP 2008, the Company has granted 59,000 options, 30,000 Options, 30,500 Options, 3,500 options and 2,096 options in the financial year ended 2008, 2011, 2014, 2015 and 2016, respectively. All such granted options, have been either exercised or lapsed in accordance with the terms of the respective plan.

(b) All options under ESOP 2008 will now be governed by the terms of ESOP 2016 except in respect of vesting and exercise which will still be governed by the terms mentioned in the respective grant letters.

(c) The Options issued under ESOP 2008 will be adjusted for the bonus issue of ten equity shares for every equity share held as on September 20, 2016, as and when such options are exercised.

ESOP 2016 (post share sub-division effect)

(a) Under ESOP 2016, the Company has granted 2,432,000 options, 64,830 options, 21,000 options in the financial year 2016, 2018 and 2019, respectively. All such options granted, have been either exercised or lapsed in accordance with the terms of the respective plan as on March 31, 2023.

(b) During the year ended March 31, 2022, the Company issued a further 1,421,973 options to eligible employees which will vest over next four financial years and be eligible for exercise, subject to certain conditions, after June 01, 2025. Out of such options:

   i. 116,486 options have been forfeited/lapsed till March 31, 2023.

   ii. 11,199 options have been exercised uptil March 31, 2023.

   iii. 258,858 options have been vested and not exercised/exercisable as on March 31, 2023.

(c) During the year ended March 31, 2023, the Company issued a further 35,700 options to eligible employees which will vest over next three financial years and be eligible for exercise, subject to certain conditions, after June 01, 2025. Out of such options:

   i. 1,800 options have been forfeited/lapsed on account of the respective employees no longer in employment.

   ii. No options have been vested and not exercised/exercisable as on March 31, 2023.

Options granted under the aforesaid plans carry no dividend or voting rights.

Movements during the year (post share sub-division effect)

Year ended March 31, 2022

Particulars	ESOP 2016					Total
	ESOPs granted in					
	2016-17	2017-18	2018-19	2021-22	2022-23	
Outstanding stock options as on April 01, 2021	**673,864**	**19,470**	**3,000**	**-**	**-**	696,334
Exercise Price	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-		₹ 5/-
Options granted during the year	-	-	-	1,421,973	-	1,421,973
Options exercised during the year*	537,340	5,790	3,000	1,343	-	547,473
Options forfeited/lapsed during the year	5,480	-	-	60,514	-	65,994
Outstanding stock options as at March 31, 2022	**131,044**	**13,680**	**-**	**1,360,116**	**-**	**1,504,840**
Excercisable stock options as at March 31, 2022	131,044	13,680	-	100	-	144,824

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

28. Share-based payments (Contd.)

Year ended March 31, 2023

Particulars	ESOP 2016 ESOPs granted in 2016-17	2017-18	2018-19	2021-22	2022-23	Total
Outstanding stock options as on April 01, 2022	**131,044**	**13,680**	**-**	**1,360,116**	**-**	**1,504,840**
Exercise Price	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-
Options granted during the year	-	-	-	-	35,700	35,700
Options exercised during the year*	129,400	13,680	-	9,856	-	152,936
Options forfeited/lapsed during the year	1,644	-	-	55,972	1,800	59,416
Outstanding stock options as at March 31, 2023	**-**	**-**	**-**	**1,294,288**	**33,900**	**1,328,188**
Excercisable stock options as at March 31, 2023	**-**	**-**	**-**	**-**	**-**	**-**

** The weighted average share price at the date of exercise of options during the year ended March 31, 2023 was ₹ 458.09 (March 31, 2022: ₹ 422.40).*

There were no cancellations or modifications to the awards in March 31, 2023 or March 31, 2022.

Stock options outstanding at the end of the year have the following details (post share sub-division effect):

Grant	Tranche	Grant date	Vesting date	Expiry date	Exercise price (₹) @	Fair value (₹)	Stock options outstanding March 31, 2023	Stock options outstanding March 31, 2022
Plan II (ESOP 2016): Grant I	I	01-Aug-16	01-Aug-17	01-Aug-22	5.00	95.41	-	4,078
Plan II (ESOP 2016): Grant I	II	01-Aug-16	01-Aug-18	01-Aug-22	5.00	95.41	-	8,156
Plan II (ESOP 2016): Grant I	III	01-Aug-16	01-Aug-19	01-Aug-22	5.00	95.41	-	19,356
Plan II (ESOP 2016): Grant I	IV	01-Aug-16	01-Aug-20	01-Aug-22	5.00	95.41	-	99,454
Plan II (ESOP 2016): Grant II	I	03-Jan-18	03-Jan-19	01-Aug-22	5.00	561.09	-	4,104
Plan II (ESOP 2016): Grant II	II	03-Jan-18	03-Jan-20	01-Aug-22	5.00	561.09	-	4,104
Plan II (ESOP 2016): Grant II	III	03-Jan-18	01-Aug-20	01-Aug-22	5.00	561.09	-	5,472
Plan II (ESOP 2016): Grant V	I	20-Apr-21	01-Jun-22	01-Jun-27	5.00	357.19	258,858	272,023
Plan II (ESOP 2016): Grant V	II	20-Apr-21	01-Jun-23	01-Jun-27	5.00	357.19	258,858	272,023
Plan II (ESOP 2016): Grant V	III	20-Apr-21	01-Jun-24	01-Jun-27	5.00	357.19	388,286	408,035
Plan II (ESOP 2016): Grant V	IV	20-Apr-21	01-Jun-25	01-Jun-27	5.00	357.19	388,286	408,035
Plan II (ESOP 2016): Grant V	I	20-Oct-22	21-Oct-23	01-Jun-27	5.00	411.65	11,299	-
Plan II (ESOP 2016): Grant V	II	20-Oct-22	01-Jun-24	01-Jun-27	5.00	411.65	11,299	-
Plan II (ESOP 2016): Grant V	III	20-Oct-22	01-Jun-25	01-Jun-27	5.00	411.65	11,302	-
Total							**1,328,188**	**1,504,840**

@ For pre-bonus issue options, additional shares on account of bonus adjustment are issued without cost to the employee.

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the market price being the latest available closing price prior to the date of the grant and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option as detailed below:

Grant date	Volatility	Market price (₹) *	Average life of the options (in Years)	Risk-free interest rate	Dividend yield
01-Aug-16	29.18%	107.96	5.00	7.10%	1.75%
03-Jan-18	30.94%	568.93	2.58	6.91%	0.25%
20-Apr-21	46.02%	360.95	5.12	5.55%	0.00%
20-Oct-22	39.02%	415.60	3.62	7.39%	0.00%

** Post bonus adjustment of ten equity shares for every one equity share held, wherever required.*

All amounts in ₹ Million, unless stated otherwise

28. Share-based payments (Contd.)

In respect of options granted by the Company prior to listing of its shares on stock exchanges, the market value of shares was determined on the basis of valuation carried out by a SEBI registered merchant banker. The valuation was carried out using a combination of Market Approach (by using market multiples of comparable listed companies) and Cost Approach.

Total expenses arising from share-based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2023	March 31, 2022
Employee stock option plan	78.47	112.47
Total employee share-based payment expense	**78.47**	**112.47**

The Company has issued/granted share options to employees of its certain subsidiaries for which cost of ₹ 57.07 Million (March 31, 2022: ₹ 90.99 Million) is charged to respective subsidiary and reimbursed to the Company.

29. Finance costs

Particulars	March 31, 2023	March 31, 2022
Interest expenses	589.87	465.24
Interest on lease liability	62.43	58.49
Other finance costs*	18.15	37.07
Total	**670.45**	**560.80**

** Includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges, other ancillary costs incurred in connection with borrowings other than finance costs that do not meet the definition of transaction costs.*

30. Depreciation and amortization expenses

Particulars	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (Note 4)	524.23	367.90
Amortization of intangible assets (Note 5)	18.38	10.70
Total	**542.61**	**378.60**

31. Other expenses

Particulars	March 31, 2023	March 31, 2022
Training expenses	56.51	32.75
Uniform and kit items	58.28	75.12
Recruitment incentive expenses	-	16.27
Selling expenses	32.95	8.19
Travelling and conveyance	324.76	173.83
Postage and telephone	20.00	17.21
Stationary and printing	26.89	26.11
Rent *	277.00	216.02
Rates & taxes	22.58	40.36
Insurance	170.71	104.06
Repairs and maintenance:		
– Buildings	3.07	0.94
– Machinery	30.13	10.49
– Others	116.94	49.69
Vehicle hire charges	101.54	81.73
Payments to auditors (Refer details below)	4.26	2.30
Legal and professional fees	133.71	127.38
Allowance for expected credit loss	209.17	97.33
Expense towards corporate social responsibility	7.26	13.22
Other direct operating cost	394.74	124.21
Other administration and general expenses	256.27	266.00
Total	**2,246.77**	**1,483.21**

** Rent expenses pertained to short-term leases and low value assets.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

31. Other expenses (Contd.)

Payment to Auditors

Particulars	March 31, 2023	March 31, 2022
As auditor:		
Audit fee (including fees for limited review)	3.45	1.90
In other capacity:		
Other services (certification fees)*	0.81	0.40
Total payment to auditors	**4.26**	**2.30**

** Includes reimbursement of expenses.*

Details of CSR expenditure

Particulars	March 31, 2023	March 31, 2022
(a) Gross amount required to be spent by the Company during the year	**19.56**	**17.71**
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	11.70	13.22
(c) The excess/(shortfall) amount at the end of the year over and above the amount required to be spent by the Company during the year	**(7.86)**	**(4.49)**
(d) Total previous years excess/(shortfall) adjusted during the year	**7.86**	**4.49**
(e) The excess/ (shortfall) amount at the end of the year (including excess/ (shortfall) of previous years)	**4.43**	**12.29**
(f) The nature of CSR activities undertaken by the Company		
(i) Promoting education to children including primary, secondary and university education, building schools, colleges and training institutions including provision for full time residential institutions and full student sponsorship, promoting and sponsoring girl education at all levels, women education and self-employment training, other educational projects	9.00	4.62
(ii) Local community health check camps, building hospitals, clinics, diagnostic centres and associated infrastructure, blood donation camps and other specific ailment camps.	1.20	6.90
(iii) Protection of national heritage	1.00	1.50
(iv) Promotion of sports, culture and research activities	-	0.20
(v) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	0.50	-
(g) Contribution to related parties in relation to CSR activities	**3.50**	**-**

32. Earnings per share (EPS)

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Particulars	March 31, 2023	March 31, 2022
Profit attributable to equity holders of the Company:		
Continuing operations	1,901.30	1,339.01
Profit attributable to equity holders of the Company for basic earnings	**1,901.30**	**1,339.01**
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**1,901.30**	**1,339.01**
Weighted average number of equity shares for basic EPS (Numbers)	146,537,510	147,150,940
Effect of dilution:		
Stock options (Numbers)	1,312,489	1,488,450
Weighted average number of equity shares adjusted for the effect of dilution	**147,849,999**	**148,639,390**
Nominal value of equity shares (₹)	5.00	5.00
Earnings per share		
– Basic (₹)	12.97	9.10
– Diluted (₹)	12.86	9.01

All amounts in ₹ Million, unless stated otherwise

33. Distributions made and proposed

Particulars	March 31, 2023	March 31, 2022
Cash dividends on equity shares declared and paid:		
Final dividend @ ₹ Nil per share (March 31, 2022: ₹ Nil per share)	-	-
Dividend distribution tax on proposed dividend	-	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability (including DDT thereon) as at the reporting date.

34. Commitments and contingencies

(a) Capital commitment

Particulars	March 31, 2023	March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	0.11	20.14

(b) Contingent liabilities

Particulars	March 31, 2023	March 31, 2022
Claims against the Company not acknowledged as debt:		
– Litigation matters with respect to direct taxes	262.40	53.67
– Litigation matters with respect indirect taxes	102.29	102.29
Other money for which the Company is contingently liable	9.65	7.70
Total	**374.34**	**163.66**

The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions periodically and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2023.

Disputed claims against the Company, including claims raised by the tax authorities and which are pending in appeal / court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes.

35. Events occurring after the balance sheet date

There were no significant events that occurred after the Balance Sheet date.

36. Operating segment

Particulars	March 31, 2023	March 31, 2022
Revenue from operations	39,848.72	33,178.47
Earning before interest, tax, depreciation and amortization (EBITDA)*	1,869.82	1,460.75

**Excluding other income and other gain/(loss).*

The Company is required to disclose segment information based on the 'management approach' as defined in Ind AS 108-Operating Segments, which in how the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of the various performance indicators. In the case of the Company, the CODM reviews the results of the Company as a whole as the Company is primarily engaged in the business of rendering security services in India. Accordingly, the Company is a single CGU, hence single segment Company. The information as required under Ind AS 108 is available directly from the financial statements, hence no separate disclosures have been made.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

37. Business combinations and acquisition of non-controlling interests

Acquisitions during the year ended March 31, 2023

(a) Acquisition of additional interest in Terminix SIS India Private Limited ('Terminix')

During the year ended March 31, 2023, the Company acquired entire remaining shareholding of 49.99% in Terminix, subsidiary of the Company, for an aggregate consideration of ₹ 7.77 Million which resulted in Terminix becoming a wholly-owned subsidiary of the Company.

Acquisitions during the year ended March 31, 2022

(a) Acquisition of additional interest in Uniq Security Solutions Private Limited ('Uniq')

Effective February 01, 2019, the Company has acquired 51% of the outstanding equity shares of Uniq for an aggregate consideration of ₹ 515.00 Million. In addition, the share purchase agreement provides for acquisition of 100% of the outstanding equity shares, by September 2020, in one or more tranches, and at a price to be determined according to a pre-agreed valuation formula.

During the year ended March 31, 2022, the Company acquired entire remaining shareholding of 49% in Uniq, Subsidiary of the Company, for an aggregate consideration of ₹ 510 Million which resulted in Uniq becoming a wholly-owned subsidiary of the Company.

38. Interests in other entities

Information about subsidiaries

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1. Service Master Clean Limited *	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
2. Tech SIS Limited	India	Trading and installation of electronic security devices and systems	100.00%	100.00%	0.00%	0.00%
3. Terminix SIS India Private Limited	India	Pest Control Management Services	100.00%	50.01%	0.00%	49.99%
4. Dusters Total Solutions Services Private Limited	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
5. SIS Business Support Services and Solutions Private Limited	India	Rendering business support services including guarding, parking services, pest control services	100.00%	100.00%	0.00%	0.00%
6. SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)	India	Rendering security and related services in areas of manned guarding	100.00%	100.00%	0.00%	0.00%
7. SLV Security Services Private Limited	India	Providing manned guarding, facilities management and business process outsourcing	100.00%	$	0.00%	$
8. Rare Hospitality and Services Private Limited	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
9. Uniq Security Solutions Private Limited	India	Providing Security Services	100.00%	100.00%	0.00%	0.00%
10. Uniq Detective and Security Services (AP) Pvt. Ltd. **	India	Providing Security Services	100.00%	100.00%	0.00%	0.00%
11. Uniq Detective and Security Services (Tamilnadu) Private Limited **	India	Providing Security Services	100.00%	100.00%	0.00%	0.00%
12. Uniq Facility Services Private Limited**	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
13. SIS Alarm Monitoring and Response Services Private Limited	India	Alarm Monitoring and Response Services	100.00%	100.00%	0.00%	0.00%
14. ADIS Enterprises Private Limited	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%

All amounts in ₹ Million, unless stated otherwise

38. Interests in other entities (Contd.)

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
15. ONE SIS Solutions Private Limited	India	Providing Security Services, facility management, pest control, alarm monitoring and response services	100.00%	100.00%	0.00%	0.00%
16. SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited)	Singapore$$	Holding company for international operations	100.00%	100.00%	0.00%	0.00%
17. SIS Security Asia Pacific Holdings Pte. Limited (formerly known as SIS Asia Pacific Holdings Limited)	Singapore$$	Holding company for international operations	100.00%	100.00%	0.00%	0.00%
18. SIS Australia Holdings Pty. Ltd.	Australia	Holding company for Australia	100.00%	100.00%	0.00%	0.00%
19. SIS Australia Group Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
20. SIS Group International Holdings Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
21. MSS Strategic Medical and Rescue Pty. Ltd.	Australia	Provision of paramedic and emergency response services	100.00%	100.00%	0.00%	0.00%
22. SIS MSS Security Holdings Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
23. MSS Security Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	100.00%	100.00%	0.00%	0.00%
24. Australian Security Connections Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	100.00%	100.00%	0.00%	0.00%
25. MSS AJG Pty Ltd .#	Australia	Provision of services relating to all aspects of physical security	0.00%	100.00%	0.00%	0.00%
26. Southern Cross Protection Pty. Ltd.	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
27. Askara Pty. Ltd. ***	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
28. Charter Security Protective Services Pty. Ltd. ***	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
29. Platform 4 Group Limited	New Zealand	Guard services, patrols and monitoring services and event services	100.00%	100.00%	0.00%	0.00%
30. Triton Security Services Limited	New Zealand	Alarm Monitoring and Response Services	100.00%	100.00%	0.00%	0.00%
31. The Alarm Center Limited #	New Zealand	Alarm Monitoring and Response Services	0.00%	100.00%	0.00%	0.00%
32. SIS Henderson Holdings Pte. Ltd.	Singapore	Holding company	100.00%	100.00%	0.00%	0.00%
33. Henderson Security Services Pte. Ltd.	Singapore	Manned Guarding Services	100.00%	100.00%	0.00%	0.00%
34. Henderson Technologies Pte. Ltd.	Singapore	Building a building mechanical & electrical services	100.00%	100.00%	0.00%	0.00%
35. Safety Direct Solutions Pty. Ltd.	Australia	Provision of emergency services personnel, industrial safety, fire rescue and medical training	85.00%	0.00%	15.00%	0.00%
36. Safety Direct Solutions Pty. Ltd. NZ	New Zealand	Provision of emergency services personnel, industrial safety, fire rescue and medical training	85.00%	0.00%	15.00%	0.00%

* *41% ownership interest is held through SIS Group International Holdings Pty. Ltd., Australia, a step-down subsidiary of the Company.*

** *Wholly-owned subsidiaries of Uniq Security Solutions Private Limited*

*** *Wholly-owned subsidiaries of Southern Cross Protection Pty. Limited.*

Companies have been deregistered during the year ended March 31, 2023.

$ *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.*

$$ *The place of business for SIS Security International Holdings Pte. Limited (formerly known as SIS International Holdings Limited) and SIS Security Asia Pacific Holdings Pte. Limited (formerly known as SIS Asia Pacific Holdings Limited) has been changed from British Virgin Islands (BVI) and Malta respectively, during the year ended March 31, 2022.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

38. Interests in other entities (Contd.)

Joint ventures in which the Company is a joint venturer

The Joint Ventures considered in the preparation of the financial statements are:

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
1. SIS Cash Services Private Limited	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
2. SIS Prosegur Holdings Private Limited *	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
3. SIS Prosegur Cash Logistics Private Limited **	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
4. Habitat Security Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	49.00%	49.00%

** Wholly-owned subsidiary of SIS Cash Services Private Limited.*

*** Wholly-owned subsidiary of SIS Prosegur Holdings Private Limited.*

39. Related party transactions

Note 38 above provides information about the Company's structure.

Name of related parties

Key Management Personnel and their relatives	Joint Venture entities	Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company
Mr. Ravindra Kishore Sinha (Chairman)	SIS Cash Services Private Limited	Saksham Bharat Skills Limited
Mr. Rituraj Kishore Sinha (Managing Director)	SIS Prosegur Holdings Private Limited	Security Skills Council India Limited
Mr. Uday Singh (Appointed as Independent director and ceased to be non-executive director w.e.f., July 26, 2022)	SIS Prosegur Cash Logistics Private Limited	SIS Group Enterprises Limited
Mr. Arvind Kumar Prasad (Director – Finance)	Habitat Security Pty. Ltd.	Sunrays Overseas Private Limited
Mrs. Rita Kishore Sinha – Non-Executive Director		Vardan Overseas Private Limited
Mr. Amrendra Prasad Verma – Independent Director (retired w.e.f., September 24, 2022)		SIS Asset Management Limited
Mr. T C A Ranganathan – Independent Director		Lotus Learning Private Limited
Mr. Devdas Apte – Independent Director (retired w.e.f., September 24, 2022)		The Indian Public School Educational Foundation Society
Mr. Rajan Krishnanath Medhekar – Independent Director (retired w.e.f., September 24, 2022)		International Institute of Security & Safety Management
Ms. Renu Mattoo – Independent Director (retired w.e.f., January 28, 2023)		Annapurna S.P, Sinha Welfare Activities & Social Awareness Reforms Charitable Trust
Mr. Rajan Verma – Independent Director (appointed w.e.f., July 28, 2021)		RSYA Dhanbad Auto Private Limited
Mr. Upendra Kumar Sinha – Independent Director (appointed w.e.f., June 29, 2022)		
Ms. Rivoli Sinha – Non-Executive Director (appointed w.e.f., November 02, 2022)		
Mr. Sunil Srivastav – Independent director		
Mr. Brajesh Kumar (Chief Financial Officer – India)		
Mr. Devesh Desai (Chief Financial Officer)		
Ms. Pushpalatha Katkuri (Company Secretary)		

All amounts in ₹ Million, unless stated otherwise

39. Related party transactions (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Particulars	Subsidiaries		Joint Ventures		Key management personnel and their relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Purchase of property, plant and equipment	89.23	97.89	-	-	-	-	3.27	-	92.50	97.89
Purchase of goods/receiving of services/expenses reimbursed to related parties	363.38	322.10	1.42	0.50	-	-	7.50	-	372.30	322.60
Sale of goods/rendering of services/expenses reimbursed by related party	373.56	218.17	14.89	14.13	-	-	117.79	78.67	506.24	310.97
Loans given	31.96	-	-	-	-	-	-	-	31.96	-
Repayment of loans given	125.34	-	-	-	-	-	-	-	125.34	-
Interest expense on bonds/debentures/loans	60.00	60.00	-	-	-	-	-	-	60.00	60.00
Interest income on bonds or debentures or loans	44.01	44.89	19.25	19.25	-	-	-	0.72	63.26	64.86
Dividend income	520.13	504.94	-	-	-	-	-	-	520.13	504.94
Salary & remuneration paid *#	-	-	-	-	86.80	71.25	-	-	86.80	71.25
Rent paid	-	-	-	-	17.16	16.56	79.06	73.10	96.22	89.66
Contribution to CSR Expenditure	-	-	-	-	-	-	3.50	-	3.50	-

* *Post-employment benefits/other long-term employee benefits are actuarially determined for the Company as a whole and hence not separately provided. Compensation towards share-based payments are being disclosed in the year of exercise of options.*

\# *Includes sitting fees and commission paid.*

Balances outstanding at end of the year

Particulars	Subsidiaries		Joint Ventures		Key management personnel and their relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade payables/other payables	45.83	18.25	0.11	-	-	-	1.46	19.73	47.40	37.99
Trade receivables/other receivables	192.25	118.01	52.13	94.58	-	-	64.60	70.75	308.98	283.34
Loans and advances to related party	141.21	234.59	-	-	-	-	-	-	141.21	234.59
Bonds, debentures and notes issued	748.04	747.43	-	-	-	-	-	-	748.04	747.43
Investment in bonds/debentures	176.46	173.61	175.00	175.00	-	-	-	-	351.46	348.61

Terms and conditions of transactions with related parties

Transactions relating to dividends paid, subscription for new equity shares were on the same terms and conditions that applied to other shareholders.

The sales to, and purchases from, related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances at the year-end are unsecured and carry interest equivalent to the market rate, where specified, in terms of the transactions, and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

39. Related party transactions (Contd.)

Information regarding significant transactions:

S. No.	Particulars	Relationship	March 31, 2023	March 31, 2022
a)	**Purchase of property, plant and equipment**			
	Tech SIS Limited	Subsidiary	38.16	75.34
	SIS Alarm Monitoring and Response Service Private Limited	Subsidiary	51.07	22.55
b)	**Purchase of goods/ receiving of services/ expenses reimbursed to related parties**			
	Tech SIS Limited	Subsidiary	84.18	216.66
	Service Master Clean Limited	Subsidiary	87.86	57.79
	Duster Total Solution Services Private Limited	Subsidiary	62.03	30.04
	SLV Security Services Private Limited	Subsidiary	122.19	8.56
c)	**Sale of goods/ rendering of services/ expenses reimbursed by related parties**			
	Duster Total Solution Services Private Limited	Subsidiary	166.72	105.20
	Service Master Clean Limited	Subsidiary	54.23	37.23
	Rare Hospitality and Services Private Limited	Subsidiary	16.32	20.90
	Uniq Security Solutions Private Limited	Subsidiary	21.70	19.72
	Security Skills Council India Limited	Others*	115.17	78.67
d)	**Loans given**			
	Tech SIS Limited	Subsidiary	31.96	-
e)	**Repayment of loans given**			
	Service Masters Clean Limited	Subsidiary	125.34	-
f)	**Interest expense on bonds/ debenture/ loans received**			
	SIS Australia Group Pty. Ltd.	Subsidiary	60.00	60.00
g)	**Interest income on bonds/ debentures/ loans given**			
	Service Master Clean Limited	Subsidiary	25.16	26.09
	SIS Alarm Monitoring and Response Service Pvt. Ltd.	Subsidiary	13.20	13.20
	SIS Cash Services Private Limited	Joint Ventures	19.25	19.25
h)	**Dividend income**			
	SIS Australia Group Pty. Limited	Subsidiary	31.11	30.11
	SIS Security International Holdings Pte. Ltd.	Subsidiary	489.02	474.83
i)	**Salary & remuneration**			
	Ravindra Kishore Sinha	KMP **	22.71	22.82
	Devesh Desai	KMP **	14.94	12.31
	Rituraj Kishore Sinha	KMP **	9.69	9.69
	Arvind Kumar Prasad	KMP **	5.68	5.44
	Brajesh Kumar#	KMP **	11.52	7.39
	Pushpalatha Katkuri	KMP **	4.45	3.76
	Director sitting fees	KMP **	12.00	9.84
j)	**Rent paid**			
	SIS Asset Management Limited	Others*	58.38	53.36

* *Others represents Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company.*

** *Key Management personnel and their relatives.*

\# *Includes an amount of ₹ 2.86 Million towards share-based payments for the options exercised during the year.*

The details of loans and advances as required by Schedule V of SEBI (Listing Obligation and Disclosure requirements) regulation, 2015 are given in the table below:

Particulars	March 31, 2023		March 31, 2022	
	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
Service Masters Clean Limited	91.90	91.90	217.24	217.24
Tech SIS Limited	49.31	49.31	17.35	17.35
Total	**141.21**	**141.21**	**234.59**	**234.59**

All amounts in ₹ Million, unless stated otherwise

40. Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support the financing of the operations of its subsidiaries, joint ventures and associates. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations, loans, security and other deposits.

The Company's operations expose it to market risk, credit risk and liquidity risk. The Company's focus is to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, loans and deposits given, FVTOCI investments and derivative financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates which arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency revenue and cash flows. The Company's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries. The Company has limited foreign currency transactions and has limited exposure to foreign currency assets and liabilities resulting in the foreign currency risk being low.

The exchange rate between the Indian Rupee and foreign currencies has fluctuated in recent years and may continue to do so in the future. Consequently, the results of the Company's operations may be affected as the Indian Rupee appreciates/ depreciates against these currencies.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ are as follows:

Particulars	Financial assets	Financial liabilities
As at March 31, 2023		
SGD	4.45	-
AUD	50.49	6.90
Net exposure to foreign currency risk as at March 31, 2023	**54.94**	**6.90**
As at March 31, 2022		
SGD	2.42	-
AUD	7.81	10.79
Net exposure to foreign currency risk as at March 31, 2022	**10.23**	**10.79**

Sensitivity

The sensitivity of profit or loss to change in the exchange rates arises mainly from foreign exchange denominated financial instruments are as follows:

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Sensitivity		
Increase by 5%	(2.40)	0.03
Decrease by 5%	2.40	(0.03)

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

40. Financial risk management (Contd.)

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings:		
– Loan repayable on demand	4,415.09	3,288.46
– Loans	2,202.32	310.19
Fixed rate borrowings		
– Bonds/Debentures	-	1,894.32
– Vehicle loan	243.74	157.76
– Others	748.20	747.58
Total	**7,609.35**	**6,398.31**

The Company's fixed rate borrowings are carried at amortized cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	March 31, 2023	March 31, 2022
Interest rates - increase by 25 basis points *	16.54	9.00
Interest rates - decrease by 25 basis points *	(16.54)	(9.00)

**Holding all other variables constant.*

Credit risk

Credit risk arises from the possibility that counterparties may not be able to settle their obligations as agreed resulting in a financial loss. The primary exposure to credit risk arises from Trade receivables and Unbilled revenue (refer note 11 & 7 respectively). These are unsecured and are managed by the Company through a system of periodically assessing the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. No single customer accounted for more than 10% of the accounts receivable as of March 31, 2023 and March 31, 2022, respectively and revenues for the year ended March 31, 2023 and March 31, 2022, respectively. There is no significant concentration of credit risk. The Company uses the expected credit loss ('ECL') method to assess the loss allowance for Trade receivables and Unbilled revenue taking into account primarily the historical trends and analysis of bad debts. The Company does not expect any credit risk or impairment in respect of amounts lent to its subsidiaries, associates and joint ventures, if any.

The credit risk for financial assets other than bank balances and trade receivables are considered low.

Significant estimates and judgments

Impairment of financial assets

The impairment provision for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions. The Company estimates loss arising on trade receivables as a percentage of sales based on past trends and such loss is directly debited to revenue instead of creating a provision for impairment of receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Surplus funds are invested in bank fixed deposits or used to temporarily reduce the balance of cash credit accounts to optimize interest costs.

All amounts in ₹ Million, unless stated otherwise

40. Financial risk management (Contd.)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The Company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet its financial obligations and maintain adequate liquidity for use.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, shareholder equity, and finance leases.

The below table summarizes the Company's long-term debt that will mature in less than one year based on the carrying value of borrowings reflected in the financial statements.

Particulars	March 31, 2023	March 31, 2022
Company's long-term debt	3,194.26	3,109.85
Company's long-term debt that will mature in less than one year from reporting period	289.73	2,098.77
	9.07%	67.49%

The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and significant portion of short-term debt maturing within 12 months can be rolled over with existing lenders. The Company believes that it has sufficient working capital and cash accruals to meet its business requirements and other obligations.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2023

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	4,415.09	151.65	414.76	3,324.06	3.25	8,308.81
Lease liabilities	-	38.26	112.23	518.13	75.38	744.00
Other financial liabilities	-	3,197.04	-	-	-	3,197.04
Trade payables	-	224.18	-	-	-	224.18
Financial guarantee contracts	-	1.99	2.33	1.34	-	5.66

Year ended March 31, 2022

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	3,288.46	53.45	2,051.06	1,011.94	3.11	6,408.02
Lease liabilities	-	32.71	98.15	575.52	69.73	776.11
Other financial liabilities	-	2,500.74	-	-	-	2,500.74
Trade payables	-	130.34	-	-	-	130.34
Financial guarantee contracts	-	0.16	0.48	5.87	-	6.51

As a matter of policy, the Company does not carry out any hedging activities.

There have been no default in servicing borrowings and/ or breaches in loan covenants.

The company has the following financial assets which are subject to the impairment requirements of Ind AS 109. On assessment of the future cash flows arising from these assets, the Company believes that there is no provision required to be made for impairment losses on these assets.

Particulars	March 31, 2023	March 31, 2022
Financial Assets:		
Investments	351.46	348.61
Loans	141.21	234.59
Other financial assets	3,267.18	2,721.12
Total	**3,759.85**	**3,304.32**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

40. Financial risk management (Contd.)

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Year ended March 31, 2023

Balance sheet caption	As at April 01, 2022	Cash flow	Finance/ Transaction cost	As at March 31, 2023
Borrowings *	3,109.85	78.12	6.29	3,194.26
Interest accrued	25.06	(593.94)	601.67	32.79

Year ended March 31, 2022

Balance sheet caption	As at April 01, 2021	Cash flow	Finance/ Transaction cost	As at March 31, 2022
Borrowings *	4,525.18	(1,413.71)	(1.62)	3,109.85
Interest accrued	198.14	(677.01)	503.93	25.06

** Excluding borrowings considered as cash and cash equivalents for the purpose of statement of cash flows.*

41. Additional capital disclosures

For the purpose of the Company's capital management, capital includes issued equity capital, share premium, all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize shareholder value and support its strategies and operating requirements. The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with a focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements for the Company's operations are generally met through operating cash flows generated and supplemented by long-term and working capital borrowings from banks.

The Company's objectives when managing capital are to:

(a) safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) Maintain an optimal capital structure to optimize the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants to which it is subject. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a ratio, which is Net Debt divided by EBITDA. The Company defines Net Debt as borrowings and lease liabilities less cash and cash equivalents including bank balances and deposits irrespective of their duration/maturity.

Particulars	March 31, 2023	March 31, 2022
Borrowings (Note 15)	7,609.35	6,398.31
Lease liabilities (Note 16)	495.45	490.43
Cash and cash equivalents (Note 12), other bank balances and deposits (including margin money)	(1,707.04)	(1,685.91)
Net Debt	**6,397.76**	**5,202.83**
EBITDA	**1,869.82**	**1,460.75**
Net debt to EBITDA ratio	**3.42**	**3.56**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it simultaneously meets financial covenants attached to its borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

Dividends

The Company declares and pays dividends in Indian Rupees. According to the Companies Act, 2013 any dividend should be declared only out of accumulated distributable profits. A company may, before the declaration of any dividend, transfer a percentage of its profits for that financial year, as it may consider appropriate, to the reserves.

All amounts in ₹ Million, unless stated otherwise

41. Additional capital disclosures (Contd.)

The Board, at its meeting dated May 03, 2023, has not proposed final dividend for the year ended March 31, 2023 (March 31, 2022: ₹ Nil per share).

The Board of Directors at its meeting held on September 21, 2016 had approved the issue of bonus shares in the proportion of 10:1, i.e., 10 (ten) equity shares of ₹ 10 each for every 1 (one) fully paid-up equity share held as on September 15, 2016 pursuant to resolution passed by the shareholders on July 27, 2016. The Company has not issued any bonus shares out of capitalization of its revaluation reserves or unrealized profits.

42. Additional regulatory information

(A) Financial ratios:

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022
Current ratio	Current asset	Current liabilities	1.28	1.03
Debt-equity ratio	Total debt	Shareholders' equity	0.80	0.77
Debt service coverage ratio[1]	Earning before interest and taxes[#]	Debt service*	1.52	0.42
Return on equity ratio[2]	Net profits after taxes	Average shareholders' equity	21.33%	16.25%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.68	6.96
Inventory turnover ratio	Cost of goods sold	Average inventory	2.89	2.61
Trade payables turnover ratio[2]	Cost of goods sold	Average trade payables	2.43	4.08
Net capital turnover ratio[2]	Revenue from operations	Working capital	27.02	18.40
Net profit ratio	Net profits after taxes	Revenue from operations	4.77%	4.04%
Return on capital employed	Earning before interest and taxes	Average Capital employed**	9.02%	8.46%
Return on investment	The Company has not invested in other than investments in subsidiaries and associates, hence Return on Investment ratio has not been disclosed		-	-

[#] *Excluding other income and other gain/(loss).*

* *Debt service = Interest expense + Current maturities of long-term debt*

** *Capital employed = Total equity + Net debt*

Notes to Financial Ratios

[1] *Primarily due to ₹ 1,900 Million for NCD payment as current maturity of long-term debts in March 2022 which has been repaid during March 2023.*

[2] *Primarily on account of business growth in terms of revenue, profit and working capital management.*

(B) Relationship with Struck off Companies:

Relationship with struck off companies	Nature of transactions	Name of Struck off Companies	March 31, 2023	March 31, 2022
Companies with outstanding balance				
Customers	Receivables	Bateshwarnath Construction and Developers (Opc) Private Limited; Brij Packaging; Knorr-Bremse India Private Limited; MGF Developers Private Limited; Orient Micro Abrasive Limited; K M Memorial Hospital and Research Centre Private Limited	1.44	-
Companies with Nil outstanding balance				
Customers	Receivables	Nirmal Industries Ltd.	-	-

(C) The disclosures required under Division II of Schedule III have been given to the extent applicable to the Company.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Independent Auditor's Report

To The Members of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited')

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited')** (the "Holding Company"), its subsidiaries (the Holding company and its subsidiaries/step down subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit & total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Accuracy of recognition, measurement, presentation & disclosures of revenue The Holding Company's revenue for the financial year ending March 31, 2023, is ₹ 39,848.72 Million. A significant proportion of the Holding Company's revenue is derived from contracts with customer which consist of the rendering of services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized when the Holding Company has completed its performance obligations under the contracts and/ or the control is transferred to the customer. Revenue is recognized in a manner that depicts the transfer of goods and/ or services to customers at an amount that reflects the consideration the Holding Company expects to be entitled to in exchange for those goods or services.	**Audit Procedures** Our audit procedures on recognition, measurement, presentation & disclosures of revenue included but not limited to the following: • We performed testing of revenue transactions to confirm the transactions had been appropriately recorded in the statement of profit & loss and verified the satisfaction of performance obligation to recognise revenue by analysing the contract and terms of the sale and determining whether the management has appropriately identified the separate performance obligations, where relevant; compared the terms with the revenue recorded by management to determine whether the Holding Company's revenue recognition policies had been properly applied and has been appropriately measured; and testing management's calculations. • We tested the effectiveness of controls relating to contract monitoring, billings and approvals and related IT controls used to generate the information. The basis for the evaluation of internal control has been Holding Company's internal control framework for financial reporting. The testing of controls and amounts has been performed on a sample basis.

Key Audit Matter	Auditor's Response
Further, the contractual terms also underpin the measurement and recognition of revenue and profit. The Holding Company is therefore required to make operational and financial assumptions & various judgements. The nature of the Services provided by the Holding Company also gives rise to a significant amount of work which is recorded as accrued/unbilled income with corresponding profit recognition. Accrued/unbilled income as on March 31, 2023, aggregated to ₹ 2,561.39 Million.	• We obtained and read customer contracts and confirmed our understanding of the Holding Company's sales process from initiation to collection of receivables, including the design and implementation of controls and tested the operating effectiveness of these controls. • We read and understood the Holding Company's accounting policy for the recognition of revenue as per Ind AS 115. • We requested independent balance confirmations from the Holding Company's customers on a sample basis. • Tested a sample of accrued unbilled income balance with supporting documentation which includes attendance records, customer acceptance, reviewing customer correspondence where necessary and ensuring cut-off had been appropriately applied.
Uncertain tax positions and deferred tax assets The Holding Company operates in a complex tax environment and is subject to a range of tax risks during the normal course of business. Where the amount of tax payable is uncertain, the Holding Company establishes provisions based on management's judgment of the probable amount of the future tax liability. The Holding Company has material certain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes. In addition, the Holding Company has recognized ₹ 1,689.83 Million of deferred tax assets on March 31, 2023. The recognition of deferred tax assets involves judgment by management regarding the likelihood of the realization of these assets. The expectation that these assets will be realized is dependent on a number of factors, including whether there will be sufficient taxable profits in future periods to support the utilization of these assets. For details:- Refer to Note No 8 to the Standalone Financial Statements.	**Audit Procedures** Our audit procedures in relation to the recognition of Uncertain tax position and deferred tax assets/liabilities included, but were not limited to the following: • Discussion with the management on the development of tax litigations during the year ended March 31, 2023. • Verification that the accounting and/or disclosures as the case may be in the standalone financial statements is by the assessment of management/ tax practitioners. • Obtaining a representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations. • Evaluated the design and tested the operating effectiveness of key controls implemented by the Holding Company over recognition of deferred tax assets based on the assessment of the Holding Company's ability to generate sufficient taxable profits in the foreseeable future allowing the use of deferred tax assets. • Tested the arithmetical accuracy of the calculations performed by the management. • Evaluated management's assessment for adjustment of such deferred tax assets as per provisions of the Income-tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. • Evaluated the appropriateness of the disclosures made in the financial statements in respect of deferred tax assets.
Impairment Testing of Goodwill & Other Acquisition related intangible Assets Goodwill and other acquisition related intangible assets, including customer relationships, customer contracts comprise a significant portion in the consolidated balance sheet as on March 31, 2023. The Group annually reviews/ identifies Cash generating unit (CGU) and performs a test to assess the value of goodwill. The Holding Company has defined process for impairment testing which involves preparation of impairment testing model based on business plan & assumptions Other acquisition related intangible assets are subject to depreciations/amortization according to plan. For these assets, an impairment test is performed if there is any indicator for the same.	**Audit Procedures** Our audit procedures in relation to the Impairment Testing of Goodwill & Other Acquisition related intangible Assets included, but were not limited to the following: • Evaluation of process followed in identification of cash generating unit (CGU); • Obtain the impairment testing models based on forecasts and assumptions; • Evaluation of the assumptions and date used in the model; • Evaluation of the methodology used in impairment testing; • Evaluation of Assessment that the accounting and disclosures provided in the financial statements are correct based on the impairment test performed.

Independent Auditor's Report (Contd.)

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group and its joint ventures are also responsible for overseeing the financial reporting process of the Group and its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 SAs 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 these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 financial 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place 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.
- Conclude on the appropriateness of management's 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 ability of the Group and its joint ventures 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 consolidated financial statements 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 Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/financial information of 34 subsidiaries/step down subsidiaries, whose financial statements/financial information reflect total assets of ₹ 38,538.05 Million as at March 31, 2023, total revenues of ₹ 74,642.19 Million, total net profit after tax of ₹ 2,171.05 Million and total comprehensive income of ₹ 2,456.63 Million and net cash outflow of ₹ 630.63 Million, for the year ended on that date, as considered in the Consolidated Financial Statements.

The Statement also includes the Group's share of net profit/(loss) after tax of ₹ 102.13 Million and total comprehensive income/(loss) of ₹ 104.70 Million for the year ended March 31, 2023, as considered in the Statement, in respect of 4 jointly controlled entities, whose financial results have not been audited by us.

These financial statements have been audited by their respective independent auditors, whose reports have been furnished to us by the management and our opinion 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 such auditors.

The financial results of 2 foreign subsidiaries (including one step down subsidiary) whose financial results reflect total assets of ₹ 440.75 Million, revenues of ₹ 993.48 Million, total net profit/(loss) after tax of ₹ 993.48 Million and total comprehensive income/(loss) of ₹ 993.48 Million for the year ended March 31, 2023, and cash inflow (net) of ₹ 0.02 Million for the year ended March 31, 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 statements/ information are not material to the Group.

Independent Auditor's Report (Contd.)

The Statement includes the comparative financial information for the year ended March 31, 2022 which are based on the previously issued consolidated financial statements of the Group, 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 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 consolidated financial statements.

Certain of these subsidiaries and jointly controlled entities are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The holding Company's management has converted the financial statements of such subsidiaries and jointly controlled entities from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and jointly controlled entities is based on the report of other auditors and the conversion adjustments prepared by the Parent's management and audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, jointly controlled entities incorporated in India, none of the directors of the Group companies including jointly controlled entities incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India, wherever applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, its subsidiaries incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note 34 to the consolidated financial statements);

      (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

      (iv) (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      (v) The Holding Company or its subsidiary companies incorporated in India have not declared or paid any dividend during the year and has not proposed final dividend for the year.

      (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company or its subsidiary companies incorporated in India and with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and further to the comments in "Annexure A" to Independent Auditor's Report on Standalone Financial Statements issued by us and auditors of its subsidiaries included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in these CARO reports.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. 000756N

Naveen Aggarwal
Partner
Membership No.094380
UDIN : 23094380BGUMYC6093

Place : New Delhi
Date : May 03, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited') of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of SIS Limited (formerly known as 'Security and Intelligence Services (India) Limited') (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, wherever applicable, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal control with reference to financial statements of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal control with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, wherever applicable, have, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to the financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. 000756N

Naveen Aggarwal
Partner
Membership No.094380
UDIN : 23094380BGUMYC6093

Place : New Delhi
Date : May 03, 2023

Consolidated Balance Sheet

as at March 31, 2023

All amounts in ₹ Million, except per share data

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A	**ASSETS**			
	Non-current assets			
	Property, plant and equipment	4	3,105.88	2,791.81
	Capital work-in-progress	4	194.93	23.22
	Goodwill	5	11,395.11	11,646.63
	Other intangible assets	5	1,769.25	1,576.92
	Intangible assets under development	5	217.46	211.39
	Investments in joint ventures	6	513.49	410.24
	Financial assets			
	(i) Investments	6	366.27	549.82
	(ii) Other non-current financial assets	7	699.50	712.81
	Deferred tax assets (net)	8	3,906.72	2,911.03
	Income tax assets (net)	8	2,498.51	2,395.03
	Other non-current assets	9	16.93	31.83
	Total non-current assets		**24,684.05**	**23,260.73**
	Current assets			
	Inventories	10	314.28	340.25
	Financial assets			
	(i) Investments	6	103.22	2.93
	(ii) Trade receivables	11	16,777.06	13,912.96
	(iii) Cash and cash equivalents	12	6,656.18	6,840.15
	(iv) Bank balances other than (iii) above	12	853.50	543.94
	(v) Other current financial assets	7	6,407.88	5,115.82
	Other current assets	9	1,328.65	943.65
	Assets classified as held for distribution to shareholders of subsidiary	37	2.22	2.22
	Total current assets		**32,442.99**	**27,701.92**
	Total assets		**57,127.04**	**50,962.65**
B	**EQUITY AND LIABILITIES**			
	Equity			
	Equity share capital	13	728.65	735.16
	Other equity	14	22,604.28	19,977.36
	Equity attributable to owners of the Parent		**23,332.93**	**20,712.52**
	Non-controlling interests	39	-	30.61
	Total equity		**23,332.93**	**20,743.13**
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	(i) Borrowings	15	8,031.84	6,068.80
	(ia) Lease liabilities	16	921.26	900.08
	(ii) Other non-current financial liabilities	18	52.69	-
	Provisions	20	1,749.64	1,699.61
	Deferred tax liabilities (net)	8	430.40	369.93
	Total non-current liabilities		**11,185.83**	**9,038.42**
	Current liabilities			
	Financial liabilities			
	(i) Borrowings	15	7,191.17	7,214.47
	(ia) Lease liabilities	16	330.66	324.78
	(ii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	17	53.23	39.23
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	585.85	543.38
	(iii) Other current financial liabilities	18	8,521.48	7,449.00
	Other current liabilities	21	1,964.86	1,745.15
	Provisions	20	3,958.21	3,857.94
	Current tax liabilities (net)	8	-	4.33
	Liabilities classified as held for distribution to shareholders of subsidiary	37	2.82	2.82
	Total current liabilities		**22,608.28**	**21,181.10**
	Total liabilities		**33,794.11**	**30,219.52**
	Total equity and liabilities		**57,127.04**	**50,962.65**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

All amounts in ₹ Million, except per share data

S. No.	Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
1	**Income**			
	(a) Revenue from operations	23	113,457.80	100,590.76
	(b) Other income	24	264.68	282.07
	(c) Other gain/(loss)	25	62.74	244.72
	Total income (a + b + c)		**113,785.22**	**101,117.55**
2	**Expenses**			
	(a) Cost of materials consumed	26	583.38	398.50
	(b) Purchases of inventories		460.57	429.03
	(c) Changes in inventories	27	24.71	(31.32)
	(d) Employee benefits expense	28	92,012.39	78,112.45
	(e) Finance costs	29	1,148.91	983.67
	(f) Depreciation and amortization expenses	30	1,346.81	1,115.51
	(g) Other expenses	31	15,461.48	16,697.11
	Total expenses (a + b + c + d + e + f + g)		**111,038.25**	**97,704.95**
3	Share of profit/ (loss) of associates/ joint ventures	39	102.13	26.01
4	**Profit before exceptional items and tax (1 - 2 + 3)**		**2,849.10**	**3,438.61**
5	Exceptional items		-	-
6	**Profit before tax (4 - 5)**		**2,849.10**	**3,438.61**
7	**Tax expense/(credit)**			
	(a) Current tax	8	421.49	761.16
	(b) Deferred tax	8	(1,037.41)	(581.82)
	Total tax expense/(credit)		**(615.92)**	**179.34**
8	**Profit for the year (6 - 7)**		**3,465.02**	**3,259.27**
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	14	(101.51)	250.33
	(b) Income tax relating to these items	8	-	-
	Items that will not be reclassified to profit or loss:			
	(a) Re-measurement of defined benefits plan	28	123.88	(83.01)
	(b) Income tax relating to these items	8	(31.18)	20.89
	(c) Share of other comprehensive income of associates/joint ventures	39	2.57	3.91
	Other comprehensive income/(loss) for the year (net of taxes)		**(6.24)**	**192.12**
10	**Total comprehensive income for the year (8 + 9)**		**3,458.78**	**3,451.39**
11	**Profit attributable to:**			
	Owners of the Parent		3,463.89	3,250.69
	Non-controlling interests	39	1.13	8.58
			3,465.02	**3,259.27**
12	**Other comprehensive income attributable to:**			
	Owners of the Parent		(6.24)	190.82
	Non-Controlling interests	39	-	1.30
			(6.24)	**192.12**
13	**Total comprehensive income attributable to:**			
	Owners of the Parent		3,457.65	3,441.51
	Non-controlling interests	39	1.13	9.88
			3,458.78	**3,451.39**
14	Earnings per share (EPS) (face value ₹ 5/- per share)	32		
	(a) Basic (₹)		23.64	22.09
	(b) Diluted (₹)		23.43	21.87
15	Weighted average equity shares used in computing earnings per equity share	32		
	(a) Basic (Nos.)		146,537,510	147,150,940
	(b) Diluted (Nos.)		147,849,999	148,639,390

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

A. Equity Share Capital

Particulars	Amounts
As at April 01, 2021	**741.51**
Issued on exercise of stock options	2.74
Buyback of equity shares (refer note 13)	(9.09)
As at March 31, 2022	**735.16**
Issued on exercise of stock options	0.76
Buyback of equity shares (refer note 13)	(7.27)
As at March 31, 2023	**728.65**

B. Other Equity

Year ended March 31, 2022

Particulars	Reserves and Surplus							Foreign currency translation reserve	Share application money pending allotment	Other equity attributable to owners	Non-controlling interests	Total
	Securities premium	General reserve	Retained earnings	Stock options outstanding account	Debenture redemption reserve	Capital redemption reserve	Capital reserve					
As at April 01, 2021	**3,691.46**	**185.94**	**12,663.62**	**78.21**	**375.00**	**-**	**181.24**	**390.36**	**0.29**	**17,566.12**	**20.73**	**17,586.85**
Profit for the year	-	-	3,259.27	-	-	-	-	-	-	**3,259.27**	8.58	**3,267.85**
Other comprehensive income/(loss)	-	-	(58.21)	-	-	-	-	250.33	-	**192.12**	1.30	**193.42**
Total comprehensive income for the year	**-**	**-**	**3,201.06**	**-**	**-**	**-**	**-**	**250.33**	**-**	**3,451.39**	**9.88**	**3,461.27**
Share application money received during the year	-	-	-	-	-	-	-	-	2.47	**2.47**	-	**2.47**
Issued on exercise of stock options [refer note 28 (f)]	55.28	-	-	(55.28)	-	-	-	-	(2.74)	**(2.74)**	-	**(2.74)**
Employee share-based payment expense	-	-	-	202.48	-	-	-	-	-	**202.48**	-	**202.48**
Allocation to non-controlling interests	-	-	(9.88)	-	-	-	-	-	-	**(9.88)**	-	**(9.88)**
Creation/transfer of debenture redemption reserve	-	375.00	-	-	(375.00)	-	-	-	-	**-**	-	**-**
Buyback of equity shares, including tax thereon	(1,000.00)	-	(230.84)	-	-	9.09	-	-	-	**(1,221.75)**	-	**(1,221.75)**
Transaction cost related to buyback of equity shares (net of taxes)	(10.73)	-	-	-	-	-		-	-	**(10.73)**	-	**(10.73)**
As at March 31, 2022	**2,736.01**	**560.94**	**15,623.96**	**225.41**	**-**	**9.09**	**181.24**	**640.69**	**0.02**	**19,977.36**	**30.61**	**20,007.97**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

Year ended March 31, 2023

Particulars	Reserves and Surplus							Foreign currency translation reserve	Share application money pending allotment	Other equity attributable to owners	Non-controlling interests	Total
	Securities premium	General reserve	Retained earnings	Stock options outstanding account	Debenture redemption reserve	Capital redemption reserve	Capital reserve					
As at April 01, 2022	**2,736.01**	**560.94**	**15,623.96**	**225.41**	**-**	**9.09**	**181.24**	**640.69**	**0.02**	**19,977.36**	**30.61**	**20,007.97**
Profit for the year	-	-	3,465.02	-	-	-	-	-	-	**3,465.02**	1.13	**3,466.15**
Other comprehensive income/(loss)	-	-	95.27	-	-	-	-	(101.51)	-	**(6.24)**	-	**(6.24)**
Total comprehensive income for the year	**-**	**-**	**3,560.29**	**-**	**-**	**-**	**-**	**(101.51)**	**-**	**3,458.78**	**1.13**	**3,459.91**
Share issues expenses incurred by subsidiary entities	-	-	(0.19)	-	-	-	-	-	-	**(0.19)**	-	**(0.19)**
Share application money received during the year	-	-	-	-	-	-	-	-	0.70	**0.70**	-	**0.70**
Issued on exercise of stock options [refer note 28 (f)]	23.55	-	-	(23.55)	-	-	-	-	(0.72)	**(0.72)**	-	**(0.72)**
Employee share-based payment expense	-	-	-	135.54	-	-	-	-	-	**135.54**	-	**135.54**
Stock options expired		2.53	-	(2.53)	-	-	-	-	-	**-**	-	**-**
Transactions with non-controlling interests	-	-	22.83	-	-	-	-	-	-	**22.83**	(31.74)	**(8.91)**
Buyback of equity shares, including tax thereon	(800.00)	-	(184.67)	-	-	7.27	-	-	-	**(977.40)**	-	**(977.40)**
Transaction cost related to buyback of equity shares (net of taxes)	(12.62)	-	-	-	-	-	-	-	-	**(12.62)**	-	**(12.62)**
As at March 31, 2023	**1,946.94**	**563.47**	**19,022.22**	**334.87**	**-**	**16.36**	**181.24**	**539.18**	**-**	**22,604.28**	**-**	**22,604.28**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

Naveen Aggarwal
(Partner)
Membership No. 094380

Place: New Delhi
Date: May 03, 2023

For and on behalf of the Board of Directors

Ravindra Kishore Sinha
Chairman
(DIN: 00945635)

Rituraj Kishore Sinha
Managing Director
(DIN: 00477256)

Arvind Kumar Prasad
Director – Finance
(DIN: 02865273)

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax	2,849.10	3,438.61
	Adjusted for:		
	Depreciation and amortization expenses	1,346.81	1,115.51
	Unrealized foreign exchange (gain)/loss	(23.54)	26.95
	Net (gain)/loss on sale of property, plant and equipment	(38.64)	(14.24)
	Finance costs	1,148.91	983.67
	Interest income classified as investing cash flows	(264.68)	(539.50)
	Provision for doubtful debts	269.31	195.67
	Employee stock option compensation expense	78.47	112.47
	Other non-cash items	(110.73)	(26.01)
	Operating profit/(loss) before working capital changes	**5,255.01**	**(5,293.13)**
	Movement in working capital:		
	Decrease/(increase) in trade receivables	(3,349.23)	(1,422.81)
	Decrease/(increase) in inventories	24.99	(30.95)
	Decrease/(increase) in other current assets	(130.68)	260.81
	Decrease/(increase) in other current financial assets	(1,247.91)	(668.09)
	(Decrease)/increase in trade payables	65.67	(180.55)
	(Decrease)/increase in provisions	363.87	288.32
	(Decrease)/increase in other current liabilities	221.02	179.37
	(Decrease)/increase in other current financial liabilities	1,317.32	644.97
	Decrease/(increase) in other non-current assets	2.58	0.80
	Decrease/(increase) in other non-current financial assets	119.87	19.84
	(Decrease)/increase in other non-current financial liabilities	4.34	9.29
	Cash (used in) /generated from operations	**2,646.85**	**4,394.13**
	Direct tax (paid), net of refunds	(937.55)	(2,059.18)
	Net cash inflow/(outflow) from operating activities	**1,709.30**	**2,334.95**
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of Property, plant & equipment and Capital work-in-progress	(1,293.45)	(1,083.31)
	Proceeds from sale/disposal of property, plant and equipment	106.06	62.73
	Investment made	(375.23)	(2,125.72)
	Proceeds from redemption of investments	147.00	-
	Investment in fixed deposits	(880.26)	1,641.99
	Redemption of fixed deposits	531.08	-
	Acquisition of Subsidiary's non-controlling interest	(7.77)	-
	Changes in restricted balances	(55.08)	(0.93)
	Interest received	346.65	277.85
	Dividend received	1.34	3.28
	Net cash inflow/(outflow) from investing activities	**(1,479.66)**	**(1,224.11)**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2023

All amounts in ₹ Million, unless stated otherwise

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from issue of share capital (net of share issue expenses)	0.76	2.46
	Buyback of equity shares including transaction cost and tax	(997.29)	(1,241.57)
	Foreign exchange gain/(loss) realized	(4.27)	(6.30)
	Proceeds from term loans	2,817.29	1,783.07
	Repayment of term loans	(726.46)	(1,254.88)
	Bonds/ debentures repaid/ redeemed	(1,900.00)	(1,499.79)
	Interest paid	(1,065.73)	(932.62)
	Payment of lease liabilities	(409.57)	(361.53)
	Net cash inflow/(outflow) from financing activities	**(2,285.27)**	**(3,511.16)**
D.	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	**(2,055.63)**	**(2,400.32)**
E.	Cash and cash equivalents at the beginning of the year	1,951.72	4,318.00
F.	Translation adjustments	105.85	34.04
	Cash and cash equivalents at the end of the year (D+E+F)	**1.94**	**1,951.72**

Reconciliation of cash and cash equivalents as per the statement of the cash flows

Cash and cash equivalents as per above comprise of the following:	March 31, 2023	March 31, 2022
Cash and cash equivalents	6,656.18	6,840.15
Cash credit	(6,654.24)	(4,888.43)
Balances as per statement of cash flows	**1.94**	**1,951.72**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

Naveen Aggarwal
(Partner)
Membership No. 094380

Place: New Delhi
Date: May 03, 2023

For and on behalf of the Board of Directors

Ravindra Kishore Sinha
Chairman
(DIN: 00945635)

Rituraj Kishore Sinha
Managing Director
(DIN: 00477256)

Arvind Kumar Prasad
Director – Finance
(DIN: 02865273)

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Notes to the Financial Statements

All amounts in ₹ Million, unless stated otherwise

1. Group overview

SIS Limited ("the Company") is a company limited by shares, incorporated and domiciled in India. The Company is listed on the BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). Its registered office is situated at Annapurna Bhawan, Telephone Exchange Road, Kurji, Patna, Bihar – 800 010, India, and its principal place of business is situated at A-28 & 29, Okhla Industrial Area, Phase I, New Delhi – 110 020.

The name of the Parent has been changed to 'SIS Limited' from 'Security and Intelligence Services (India) Limited' and a fresh certificate of incorporation in the name of 'SIS Limited' was issued by the Registrar of Companies on January 13, 2021.

SIS Limited ("the Parent") and its subsidiaries, associates and joint ventures ("Group" or "SIS Group") is engaged in rendering security and related services consisting of manned guarding, training, paramedic and emergency response services; loss prevention, asset protection and mobile patrols; facility management services consisting of cleaning, house-keeping and pest control management services in the areas of facility management; cash logistics services consisting of cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion; and alarm monitoring and response services consisting of trading and installation of electronic security devices and systems.

These financial statements are the consolidated financial statements of the Group consisting of SIS Limited and its subsidiaries, associates and joint ventures in accordance with applicable accounting standards. A list of subsidiaries is included in note 38.

These financial statements were authorized for issue by the directors on May 03, 2023.

2. Significant accounting policies

This note provides a list of significant accounting policies adopted in the preparation of these financial statements.

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and other applicable provisions of the Companies Act, 2013 ("the Companies Act") and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements are presented in Indian Rupees (₹) and are rounded off to the nearest Millions ('Mn') except per share data, unless stated otherwise. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. The figures which are appearing as '0'are result of rounding off.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:

a) Certain financial assets and financial liabilities (including derivative financial instruments) and contingent consideration that are measured at fair value;

b) Assets held for distribution to owners upon demerger that are held at lower of carrying cost and fair value less cost to distribute;

c) Share-based payments; and

d) The defined benefit asset/(liability) which is recognized as the present value of defined benefit obligation less fair value of plan assets.

e) Liability in respect of forward contract/call and put options for acquisition of Non-controlling interests are measured at fair value.

f) Contingent liability and indemnification of asset acquired in a business combination are measured at fair value.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act, 2013. For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable or required.

All amounts in ₹ Million, unless stated otherwise

Fair value measurement

The Group records certain financial assets and liabilities at fair value on a recurring basis. The Group determines fair value based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and either in the principal market or in the absence of a principal market, most advantageous market for that asset or liability.

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, bonds and debentures and mutual funds that have quoted price. The fair value of all financial instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity/ preference securities included in level 3.

In accordance with Ind AS 113, Fair Value Measurement, assets and liabilities are to be measured based on the following valuation techniques:

(a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

(b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.

(c) Cost approach – Replacement cost method.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent, its subsidiaries and share of in net assets of associates and joint ventures as at, and for the year then ended. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.
- Size of the Group's holding of voting rights relative to the size and dispersion of holdings of other investees with voting rights.
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

The acquisition method of accounting is used to account for business combinations by the Group.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Parent, i.e., year ended on March 31.

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. The policy for accounting for Business combinations explains the accounting for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group. Profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 on Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

(f) If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary,
- Derecognizes the carrying amount of any non-controlling interests,
- Derecognizes the cumulative translation differences recorded in equity,
- Recognizes the fair value of the consideration received,
- Recognizes the fair value of any investment retained,
- Recognizes any surplus or deficit in profit or loss,
- Reclassifies the Parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Non-controlling interest

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Parent's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

All amounts in ₹ Million, unless stated otherwise

2.4 Summary of significant accounting policies

(a) Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- 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:

- expected to be settled in normal operating cycle
- held primarily for the purpose of trading
- expected to be settled within twelve months after the reporting period, or
- 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 Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(b) Property, plant and equipment

Recognition and measurement

An item is recognized as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group 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 cost 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 Group depreciates property, plant and equipment over the estimated useful lives using the written down value method (and straight-line method in respect of certain subsidiaries) from the date the assets are available for use.

Category	Useful life
Buildings	60 years
Plant and machinery	3-15 years
Leasehold improvement	Shorter of 10 years or lease period
Right-of-use assets	Lease period
Computer equipment	2-6 years
Furniture and fixtures	2.5-13 years
Office Equipment	3-11 years
Vehicles	3-8 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.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

The residual values are generally not more than 5% of the original cost of the asset.

The assets 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 derecognized.

An item of property, plant and equipment and any significant part, initially recognized, is derecognized 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 recognized in the statement of profit and loss when the asset is derecognized.

(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 Group, 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.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of such expenditure can be measured reliably. All other repair and maintenance costs are recognized in profit or loss as incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using written down value method over their estimated useful lives of 60 years. The useful life has been determined based on a technical evaluation performed by the management's expert.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

(d) Intangible assets

Recognition and measurement

Intangible assets are recognized when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at historical cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized software development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life on written down value method (or straight-line method in respect of certain subsidiaries) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates and adjusted accordingly. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The estimated useful lives of intangible assets are as follows:

Category	Useful life
Goodwill	Indefinite
Computer software	3 - 10 years
Brand name	Indefinite
Customer contracts	Expected contract duration
Customer relationship	Expected relationship duration
License & franchise fees	20 years
Non-competition agreements	The term of the respective non-compete agreements

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is allocated to cash generating units, and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose. The units or the groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the respective entities carrying out business.

Brand name

Brand name is not amortized and tested annually for impairment.

Customer contracts, customer relationship and non-competition agreements

Customer contracts, customer relationship and non-competition agreements acquired on an acquisition of business are recorded at the fair value of respective assets on the date of acquisition. Customer contracts, customer relationship and non-competition agreements are amortized based on their useful life.

Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalized to software and systems. Costs capitalized include external direct costs of materials, services, and direct payroll and related costs of employees' time spent on the project.

License & franchise

Licenses & franchise fees are amortized commencing from the date when license & franchise fees are available for intended use.

(e) Investment in subsidiaries, associates, and joint ventures

A subsidiary is an entity over which the Group has control. The Group controls an investee entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. This is generally the case where the Group holds between 20% to 50% of the voting rights.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control exist are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Dividends receivable from associates and joint ventures reduce the carrying amount of the investment.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

The financial statements of the associate or joint venture, for the purpose of reflecting the Group's share of the results of operations of the associate or joint venture, are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as "Share of profit of associates /joint ventures" in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

(f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Financial instruments at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions call and similar options) but does not consider the expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income based on EIR is included as interest income as a part of other income in the statement of profit and loss. The losses arising from impairment are recognized in profit or loss. A gain or loss on such financial assets which is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized. This category generally applies to trade and other receivables.

Financial instrument at FVTOCI

A 'financial assets' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income calculated using the EIR method, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss.

Financial instrument at FVTPL

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is made only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial asset included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss in respect of such assets that are not part of a hedging relationship. The gain /loss on assets measured at FVTPL are presented in the statement of profit and loss within other gains/losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an Instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with gain/loss presented in the statement of profit and loss within other gains/ losses in the period in which it arises.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

When the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Similarly, where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Group recognizes loss allowances on a forward-looking basis using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. How the Group determines whether there has been a significant increase in the credit risk has been detailed in the notes to the financial statements. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments, if any entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liability at fair value through profit or loss also include liabilities arising from forward contract/ call and put options for the purpose of non-controlling interests in subsidiaries and contingent liability acquired in a business combination. The fair value gain/loss arising on such liabilities is recognized in profit or loss.

Borrowings

After initial recognition, borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowing using the EIR method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Preference shares which are mandatorily redeemable are classified as liabilities. The dividends on these preference shares, to the extent such dividends are mandatorily payable, are recognized in profit or loss as finance costs.

The fair value of the liability portion of an optionally convertible debenture/ bond/ preference share or a zero-coupon debenture/ bond/ preference share or compulsorily convertible debenture/preference shares where the price of conversion of the debenture/ preference shares into equity share is not fixed, is determined using a market rate of interest for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound financial instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

When the terms of a financial liability are renegotiated and the entity issues equity instrument to a creditor to extinguish all or part of a liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ losses. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss as other gains/losses.

Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends upon whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

Derivatives which are not designated as hedges are accounted for at fair value through profit or loss and are included in other gains/losses.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Reclassification of financial instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines changes in the business model as a result of external or internal changes which are significant to

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group of the counterparty.

(g) Trade receivables

Trade receivables that do not contain a significant financing component are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment (allowance for expected credit loss).

(h) Current and deferred tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and unused tax credits.

Current tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It established provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

All amounts in ₹ Million, unless stated otherwise

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(i) Inventories

Inventories are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit facilities) as they are considered an integral part of the Group's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(k) Non-current assets held for sale/distribution to owners and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale/distribution to owners if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use and where a sale is considered highly probable. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn and Management must be committed to the sale/ distribution being completed within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell/distribute. A gain is recognized for any subsequent increases in fair value less costs to sell/distribute an asset (or a disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of sale/distribution of the non-current asset (or disposal group) is recognized on the date of derecognition.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- Is a subsidiary acquired exclusively with a view to resale.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

(l) Equity share capital

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30-60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(n) Provisions and contingencies

Provisions

A provision is recognized when the Group has a present legal or a constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are recognized for legal claims and service warranties. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognized as an interest expense.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognized as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

Asset retirement obligations (ARO)

ARO are recognized for those operating lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognized as part of the cost of that particular asset and amortized or depreciated in the same manner as the asset to which it pertains. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

Contingent liabilities and Contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or a reliable estimate of the amount cannot be made. Contingent asset is not recognized and is disclosed only where an inflow of economic benefits are probable.

Liabilities recognized in a business combination

A contingent liability recognized in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized in accordance with the requirements for provisions above or the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with the requirements for revenue recognition.

(o) Government grants

Grants from the Government are recognized at their transaction cost where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

All amounts in ₹ Million, unless stated otherwise

Government grants relating to income or expenditure/ expense are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are recognized on a straight-line basis over the expected lives of related assets and presented within other income.

(p) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. Revenue is recognized when the control is transferred to the customer and when the Group has completed its performance obligations under the contracts.

At the inception of the new contractual arrangement with the customer, the Group identifies the performance obligations inherent in the agreement. The terms of the contracts are such that the services to be rendered represent a series of services that are substantially the same with the same pattern of the transfer to the customer.

Revenue is recognized as follows:

(i) Revenue from services represents the amounts receivable for services rendered.

(ii) For contract-based business (Expressed or implied), revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is rendered.

(iii) Unbilled revenue (contract assets) net of expected deductions is recognized at the end of each period. Such unbilled revenue is reversed in the subsequent period when actual invoice is raised.

(iv) Unearned income (contract liabilities) represents revenue billed but for which services have not yet been performed. The same is released to the statement of profit and loss as and when the services are rendered.

(v) Revenue from the use of assets such as rent for using property, plant and equipment is recognized on a straight-line basis over the terms of the related leases unless payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increase.

Sale of goods

Revenue from the sale of goods is recognized when the control of goods has been transferred, being when the products are delivered to the buyer, the buyer having the full discretion over the use of the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Discounts and rebates are estimated based on accumulated experience. Certain subsidiaries of the Group provide normal warranty provisions for general repairs for one year on all its products sold, in line with the industry practice. A liability is recognized at the time the product is sold. Revenue is deferred and recognized on a straight-line basis over the extended warranty period in case warranty is provided to customer for a period beyond one year.

Rendering of services

In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, material and maintenance, revenue for each element is determined based on each element's fair value.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

Interest income

For all financial asset measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

Dividend income from investments is recognized in profit or loss as other income when the Group's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and amount of the dividend can be measured reliably.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term unless payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increase and is included in revenue in the statement of profit or loss due to its operating nature.

(q) Foreign currency transaction and balances

Items included in the financial statements of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency').

The consolidated financial statements of the Group are presented in Indian Rupee (₹) which is also the Parent's functional currency.

Transactions in foreign currencies are initially recorded by the entities of the Group at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates prevailing at the reporting date.

Subsequently, differences arising on restatement or settlement of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation or a monetary item for which settlement is neither planned nor likely to occur in foreseeable future is considered as part of the entity's net investment in that foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions and translation differences are recognized in OCI with the accumulation in other equity as foreign currency translation reserve. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

The equity items denominated in foreign currencies are translated at historical cost.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates prevailing at the dates of the transactions). The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedge of such investments, are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(r) Employee Benefits

The Group's employee benefits mainly include wages, salaries, bonuses, compensated absences, defined contribution to plans, defined benefit plans and share-based payments. The employee benefits are recognized in the year in which the associated services are rendered by the employees of the Group.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and compensated absences expected to be settled within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for compensated absences is recognized in the provision for employee benefits. All other short-term employee benefit obligations are presented as employee benefits payable under other financial liabilities, current.

Bonus

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually or legally obliged or where there is a past practice that has created a constructive obligation.

Compensated absences/Leave obligations

The employees of the entities of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to a specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Re-measurements arising out of actuarial gains/losses are immediately taken into the statement of profit and loss and are not deferred.

In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined contribution plans such as provident fund, employees' state insurance, superannuation funds and central provident fund; and

(b) Defined benefit plans such as gratuity.

Defined contribution plan

The Group's policy is to contribute on a defined contribution basis for eligible employees, to Employees' Provident Fund, Employees' Pension Scheme and Employees' State Insurance Scheme towards post-employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution which is expected in the year in which it pertains. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

In respect of entities of the Group not incorporated in India, contributions to superannuation funds are recognized as an employee benefit expense as they become payable. The Group pays fixed contributions into independent entities in relation to several state

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

All amounts in ₹ Million, unless stated otherwise

plans and insurance for individual employees. The central provident fund is an employment based savings scheme with employers and employees contributing a mandated amount to the Fund. The Group has no further obligation beyond making its contribution which is expected in the year in which it pertains. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined Benefit Plan

In India, the Group has a defined benefit plan, viz., Gratuity, for all its employees, and the Group's policy is to determine the liability for this benefit and to accrue and provide for the same as determined by an independent actuarial valuation. A portion of this liability for gratuity is contributed by some subsidiaries, associates and joint ventures to Group's gratuity policies administered and operated by reputed insurance companies. The liability or asset is recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit is actuarially determined (using the projected unit credit method) at the end of each year.

Present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields on government bonds at the end of the reporting periods, that have approximately similar terms to the related obligation.

The Group recognizes the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs.

The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Equity settled stock-based compensation

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The fair value of options granted under various Employee stock option plans is recognized as an employee benefits expense with a corresponding increase in equity (stock option outstanding account).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates in the period of change, if any, in the profit or loss, with corresponding adjustment to equity.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions, if any, are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Borrowing costs

Borrowing costs include interest calculated on the effective interest rate method, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of the assets that necessarily take a substantial period of time to get ready for their intended use or sale ('qualifying assets'), are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in statement of profit and loss within finance costs in the period in which they are incurred.

(t) Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

(u) Leases

Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings, vehicles and equipments. For any new contracts, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

(i) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group

(ii) The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

(iii) The Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset ('ROU') and a corresponding lease liability on the balance sheet. The right-of-use asset is measured at cost, which comprises of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets using the written down value method (and straight-line method in respect of certain subsidiaries) from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

IndAS116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with an option to extend or terminate the lease, if the use of such option is reasonably certain. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Extension and termination options are included in a number of leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprises of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Lease liability and right-of-use assets have been separately presented in the notes to the financial statements under 'Other financial liability' and 'Property, plant and equipment' (except those meeting the definition of investment property) respectively. Lease payments have been classified as 'cash flows from financing activities'.

Short-term leases and leases of low-value assets:

The Group has elected not to recognize ROU and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low value assets. The Group recognizes lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease unless payments are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increase under "Other Income" in the statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(v) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, other than inventories and deferred tax assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of its fair value less cost of disposal and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the asset. For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units or CGU). Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's CGUs expected to benefit from the synergies arising from the business combination. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

All amounts in ₹ Million, unless stated otherwise

(w) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders of the Parent (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Diluted Earnings per share amounts are computed by dividing the net profit attributable to the equity holders of the Parent (after deducting preference dividends and attributable taxes but after adjusting the after income tax effect of interest and other financing cost associated with dilutive potential equity shares) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

(x) Cash dividend and non-cash distribution to equity holders of the Parent

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the carrying value of the assets to be distributed in case of distributions in which all owners of the same class of equity instruments are treated equally or the distributed asset is ultimately controlled by the same party or parties both before and after the distribution, and at fair value of the assets to be distributed in other cases, with such value recognized directly in equity. For this purpose, a group of individuals shall be regarded as controlling an entity when, as a result of contractual arrangements, they collectively have the power to govern its financial and operating policies so as to obtain benefits from its activities, and that ultimate collective power is not transitory. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit and loss.

(y) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of SIS Limited have appointed a Group management committee which assesses the financial performance and position of the Group and makes strategic decisions.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, inter-segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated corporate expenses/income".

(z) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

(aa) Business combination

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued, and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as an asset or a liability is measured at fair value at subsequent reporting dates with the corresponding gain or loss being recognized in profit or loss. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted within equity.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value, and the resulting gain, if any, is recognized in profit or loss.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

2.5 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Group does not expect this amendment to have any significant impact in its financial statements.

All amounts in ₹ Million, unless stated otherwise

3. Significant accounting judgments, estimates and assumptions

Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

In the process of applying the Group's accounting policies, management has made various judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable – Note 8
- Estimated useful life of intangible assets – Note 2.4.d
- Estimation of defined benefit obligation – Note 28
- Estimation of provision for warranty claims – Note 20
- Estimation of fair value of contingent liabilities and liability towards forward contract or call and put options to purchase non-controlling interests in a business combination – Note 34
- Whether forward contract or call and put options to purchase non-controlling interests result in transfer of risks and rewards of ownership by non-controlling interests – Note 34
- Recognition of deferred tax assets for carried forward of tax losses – Note 8
- Consolidation decisions and classification of joint arrangements – Note 39
- Impairment of trade receivables – Note 11
- Whether assets held for distribution to owners meet the definition of discontinued operations – Note 2.4.k

Impairment

The Group assess impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. There are no reasonable foreseeable changes in these key estimates which would have caused an impairment of these assets.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 28.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. [refer note 8]

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. [refer note 28]

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. [refer note 19]

Intangible asset under development

The Group capitalizes development costs for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. [refer note 5]

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease, the importance of the underlying asset to SIS's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. [refer note 16].

All amounts in ₹ Million, unless stated otherwise

4. Property, plant and equipment

Year ended March 31, 2022

Description of assets	Gross block						Accumulated depreciation					Net carrying value as at March 31, 2022
	As at April 01, 2021	Acquired on business acquisition	Additions during the year	Sale and adjustments	Translation adjustments	As at March 31, 2022	As at April 01, 2021	Charge for the year	Sale and adjustments	Translation adjustments	As at March 31, 2022	
Buildings *#	1,510.72	-	247.34	(27.15)	18.98	1,749.89	562.39	292.83	(9.03)	9.06	855.25	894.64
Leasehold improvement	229.61	-	34.16	-	-	263.77	134.22	31.36	(0.81)	-	164.77	99.00
Plant and Machinery #	905.63	-	411.75	(47.28)	5.18	1,275.28	452.18	157.82	(31.10)	3.44	582.34	692.94
Furniture and Fixture	668.50	-	35.72	0.06	4.73	709.01	430.71	66.57	(21.48)	3.29	479.09	229.92
Vehicles #	1,087.99	15.67	271.92	(105.40)	18.25	1,288.43	495.83	212.51	(59.56)	10.27	659.05	629.38
Office equipment	440.28	-	48.84	(1.47)	-	487.65	307.78	64.67	(1.10)	-	371.35	116.30
Computer equipment	295.47	-	66.63	(2.54)	5.21	364.77	190.98	43.02	(2.51)	3.65	235.14	129.63
	5,138.20	**15.67**	**1,116.36**	**(183.78)**	**52.35**	**6,138.80**	**2,574.09**	**868.78**	**(125.59)**	**29.71**	**3,346.99**	**2,791.81**
Capital work-in-progress	50.37	-	58.01	(85.56)	0.40	23.22	-	-	-	-	-	23.22
Grand total	**5,188.57**	**15.67**	**1,174.37**	**(269.34)**	**52.75**	**6,162.02**	**2,574.09**	**868.78**	**(125.59)**	**29.71**	**3,346.99**	**2,815.03**

Year ended March 31, 2023

Description of assets	Gross block						Accumulated depreciation					Net carrying value as at March 31, 2023
	As at April 01, 2022	Acquired on business acquisition	Additions during the year	Sale and adjustments	Translation adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Sale and adjustments	Translation adjustments	As at March 31, 2023	
Buildings *#	1,749.89	101.85	266.54	(53.53)	(25.04)	2,039.71	855.25	334.95	(41.92)	(10.55)	1,137.73	901.98
Leasehold improvement	263.77	30.81	91.71	-	(0.73)	385.56	164.77	57.26	6.65	0.39	229.07	156.49
Plant and Machinery #	1,275.28	38.05	418.35	(4.52)	(10.42)	1,716.74	582.34	297.60	6.04	(8.00)	877.98	838.76
Furniture and Fixture	709.01	1.55	48.02	0.99	(7.08)	752.49	479.09	45.78	2.34	(4.67)	522.54	229.95
Vehicles #	1,288.43	19.79	390.32	(221.85)	(26.24)	1,450.45	659.05	262.62	(188.03)	(15.23)	718.41	732.04
Office equipment	487.65	-	51.05	(6.89)	0.02	531.83	371.35	50.53	(3.57)	0.01	418.32	113.51
Computer equipment	364.77	2.77	69.06	(2.58)	(6.99)	427.03	235.14	65.18	(1.51)	(4.93)	293.88	133.15
	6,138.80	**194.82**	**1,335.05**	**(288.38)**	**(76.48)**	**7,303.81**	**3,346.99**	**1,113.92**	**(220.00)**	**(42.98)**	**4,197.93**	**3,105.88**
Capital work-in-progress	23.22	1.23	180.16	(8.37)	(1.31)	194.93	-	-	-	-	-	194.93
Grand total	**6,162.02**	**196.05**	**1,515.21**	**(296.75)**	**(77.79)**	**7,498.74**	**3,346.99**	**1,113.92**	**(220.00)**	**(42.98)**	**4,197.93**	**3,300.81**

*Includes building on leasehold land.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

4. Property, plant and equipment (Contd.)

Right-of use assets included above in building, vehicles and plant and machinery is mentioned below:

Particulars	Building	Vehicles	Plant and Machinery	Total
Balance as on March 31, 2021	**845.36**	**17.71**	**5.67**	**868.74**
Additions during the year	247.34	24.02	0.52	271.88
Derecognized/adjustments during the year	(9.66)	(0.95)	0.44	(10.17)
Depreciation during the year	(287.84)	(12.48)	(5.72)	(306.04)
Translation adjustments	9.92	0.75	(0.06)	10.61
Balance as on March 31, 2022	**805.12**	**29.05**	**0.85**	**835.02**
Acquired on business acquisition	101.85	-	-	101.85
Additions during the year	257.89	24.81	12.00	294.70
Derecognized/adjustments during the year	(11.63)	(0.01)	-	(11.64)
Depreciation during the year	(330.72)	(11.16)	(4.38)	(346.26)
Translation adjustments	(14.50)	(1.43)	(0.03)	(15.96)
Balance as on March 31, 2023	**808.01**	**41.26**	**8.44**	**857.71**

Refer note 16 for disclosure of related lease liabilities.

(i) Capital work-in-progress (CWIP)

Year ended March 31, 2022

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress *	23.22	-	-	-	23.22
Total	**23.22**	**-**	**-**	**-**	**23.22**

Year ended March 31, 2023

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress *	181.37	13.56	-	-	194.93
Total	**181.37**	**13.56**	**-**	**-**	**194.93**

** Includes plant and machinery pending put to use as per terms of the agreements.*

(ii) Property, Plant and Equipment pledged as security

Refer to note 15 for information on property, plant and equipment pledged as security by the Group.

(iii) Contractual obligation

Refer note 34 (a) for disclosure of contractual commitment for the acquisition of property, plant and equipment.

All amounts in ₹ Million, unless stated otherwise

5. Goodwill and Other Intangible assets

Year ended March 31, 2022

Description of assets	Gross block						Accumulated amortization/Impairment loss					Net carrying value as at March 31, 2022
	As at April 01, 2021	Acquired on business acquisition	Additions during the year	Sale and adjustments	Translation adjustments	As at March 31, 2022	As at April 01, 2021	Charge for the year	Sale and adjustments	Translation adjustments	As at March 31, 2022	
Goodwill	**14,224.16**	51.88	-	-	240.77	**14,516.81**	**2,810.95**	-	-	59.23	**2,870.18**	**11,646.63**
Other Intangible assets												
Computer software *	331.96	-	134.68	-	19.62	486.26	173.44	66.25	-	10.91	250.60	235.66
License and franchise	38.03	-	-	-	-	38.03	22.19	1.91	-	-	24.10	13.93
Customer Contracts/relationship	1,107.96	51.38	-	1.93	20.44	1,181.71	612.40	139.00	0.15	15.39	766.94	414.77
Brand name	835.77	-	-	-	0.32	836.09	-	-	-	-	-	836.09
Non-competition agreements	241.17	-	-	12.38	-	253.55	125.13	39.57	12.38	-	177.08	76.47
	2,554.89	**51.38**	**134.68**	**14.31**	**40.38**	**2,795.64**	**933.16**	**246.73**	**12.53**	**26.30**	**1,218.72**	**1,576.92**
Intangible assets under development												
Computer software	118.05	-	15.07	81.49	(3.22)	211.39	-	-	-	-	-	211.39
Grand total	**16,897.10**	**103.26**	**149.75**	**95.80**	**277.93**	**17,523.84**	**3,744.11**	**246.73**	**12.53**	**85.53**	**4,088.90**	**13,434.94**

Year ended March 31, 2023

Description of assets	Gross block						Accumulated amortization/Impairment loss					Net carrying value as at March 31, 2023
	As at April 01, 2022	Acquired on business acquisition	Additions during the year	Sale and adjustments	Translation adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Sale and adjustments	Translation adjustments	As at March 31, 2023	
Goodwill	**14,516.81**	24.74	-	-	(368.05)	**14,173.50**	**2,870.18**	-	-	(91.79)	**2,778.39**	**11,395.11**
Other intangible assets												
Computer software *	486.26	-	170.60	-	(22.19)	634.67	250.60	88.27	-	(15.32)	323.55	311.12
License and franchise	38.03	-	-	-	-	38.03	24.10	1.88	-	-	25.98	12.05
Customer Contracts/relationship	1,181.71	236.14	7.25	0.64	(24.09)	1,401.65	766.94	103.17	(21.66)	(21.09)	827.36	574.29
Brand name	836.09	-	-	-	(1.20)	834.89	-	-	-	-	-	834.89
Non-competition agreements	253.55	-	-	-	-	253.55	177.08	39.57	-	-	216.65	36.90
	2,795.64	**236.14**	**177.85**	**0.64**	**(47.48)**	**3,162.79**	**1,218.72**	**232.89**	**(21.66)**	**(36.41)**	**1,393.54**	**1,769.25**
Intangible assets under development												
Computer software	211.39	-	177.68	(170.59)	(1.02)	217.46	-	-	-	-	-	217.46
Grand total	**17,523.84**	**260.88**	**355.53**	**(169.95)**	**(416.55)**	**17,553.75**	**4,088.90**	**232.89**	**(21.66)**	**(128.20)**	**4,171.93**	**13,381.82**

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

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

5. Goodwill and Other Intangible assets (Contd.)

Ageing of Intangible assets under development:

Year ended March 31, 2022

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress	98.10	72.49	26.56	14.24	211.39
Total	**98.10**	**72.49**	**26.56**	**14.24**	**211.39**

Year ended March 31, 2023

Particulars	<1 year	1-2 years	2-3 years	More than 3 years	Total
– Projects in progress	116.43	55.64	24.79	20.60	217.46
Total	**116.43**	**55.64**	**24.79**	**20.60**	**217.46**

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

(i) Refer note 37 for assets acquired under business acquisition.

(ii) Impairment testing of goodwill and brands with indefinite lives

A summary of changes in the carrying amount of goodwill is as follows:

Particulars	March 31, 2023	March 31, 2022
Carrying value at the beginning of the year	**11,646.63**	**11,413.21**
Goodwill on acquisition of Safety Direct Solutions Pty. Limited	11.94	-
Goodwill on acquisition of business assets of Protection Plus Security	12.80	51.09
Goodwill on acquisition of business assets of Protective Services Limited	-	0.79
Translation differences	(276.26)	181.54
Carrying value at the end of the year	**11,395.11**	**11,646.63**

The break-up of allocation of goodwill to operating segments is as follows:

Particulars	March 31, 2023	March 31, 2022
Security Services – India	2,174.32	2,174.32
Security Services – International	8,176.04	8,427.56
Facilities Management	1,044.75	1,044.75
	11,395.11	**11,646.63**

The entire goodwill relating to acquisition of SLV Security Services Private Limited, Uniq Security Solutions Private Limited and SIS Alarm Monitoring and Response Services Private Limited has been allocated to the groups of CGUs which are represented by the Security Services – India segment.

The entire goodwill relating to acquisition of SX Protective Holdings Pty. Ltd. (Formerly known as Andwills Pty. Ltd.), SIS Henderson Holdings Pte. Ltd., Platform 4 Group Ltd., Triton Security Limited, Safety Direct Solutions Pty. Ltd. and acquisition of business assets of BAS Securities Limited, Redfrog Security, Conroy Security Limited, Guardforce Security Limited, Protection Plus Security and Protective Services Limited has been allocated to the group of CGUs which are represented by the Security Services - International segment.

The entire goodwill relating to acquisition of Dusters Total Solutions Services Private Limited, Rare Hospitality and Services Private Limited and ADIS Enterprises Private Limited has been allocated to the group of CGUs which are represented by the Facilities Management segment.

All amounts in ₹ Million, unless stated otherwise

5. Goodwill and Other Intangible assets (Contd.)

A summary of changes in the carrying amounts of brands with indefinite life as follows:

Particulars	March 31, 2023	March 31, 2022
Carrying value at the beginning of the year	**836.09**	**835.77**
Change during the year	-	-
Translation differences	(1.20)	0.32
Carrying value at the end of the year	**834.89**	**836.09**

The break-up of allocation of brands to operating segments is as follows:

Particulars	March 31, 2023	March 31, 2022
Facilities management	820.99	820.99
International	13.90	15.10

Impairment testing

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets/plans approved by management covering a period of five years. Cash flows beyond the period of five years are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections for a CGU/group of CGUs over a period of five years. An average of the range of each assumption used is mentioned below. As of March 31, 2023, and March 31, 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. The recoverable amount was computed based on the fair value less cost to sell being higher than value-in-use. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing.

Key assumptions used for testing impairment of goodwill:

Year ended March 31, 2022

Particulars	Sales (% annual growth rate)	EBITDA (%)	Long-term growth rate (%)	Pre-tax discount rate (%)
Dusters Total Solutions Services Private Limited	10.00% - 20.00%	5.60% - 7.10%	5.00%	14.80%
SLV Security Services Private Limited	10.00% - 15.00%	4.60% - 6.40%	5.00%	8.66%
Rare Hospitality and Services Private Limited	12.00% - 15.50%	5.20% - 6.40%	5.00%	12.13%
Uniq Security Solutions Private Limited	10.00% - 15.00%	4.40% - 6.20%	5.00%	15.00%
MSS Security Pty. Limited	1.90%	5.53%	2.00%	9.40%
SX Protective Holdings Pty. Ltd. (Formerly known as Andwills Pty. Ltd.)	2.50%	7.8% - 8.6%	2.00%	9.40%
SIS Henderson Holdings Pte. Ltd.	13.2% - 24%	8.30%	2.00%	9.60%
Platform 4 Group Ltd.	4.80%	6.76% - 8.06%	2.00%	10.70%

Year ended March 31, 2023

Particulars	Sales (% annual growth rate)	EBITDA (%)	Long-term growth rate (%)	Pre-tax discount rate (%)
Dusters Total Solutions Services Private Limited	10.00% - 25.00%	4.2% - 5.9%	5.00%	10.75%
SLV Security Services Private Limited	10.00% - 20.00%	4.7% - 5.8%	5.00%	10.75%
Rare Hospitality and Services Private Limited	10.00% - 20.00%	3.3% - 5.9%	5.00%	10.75%
Uniq Security Solutions Private Limited	3.00% - 8.60%	4.20% - 6.10%	5.00%	10.75%
MSS Security Pty. Limited	2.30%	4.74% - 4.79%	2.00%	9.29%
SX Protective Holdings Pty. Ltd. (Formerly known as Andwills Pty. Ltd.)	2.00%	6.29% - 8.24%	2.00%	9.29%
SIS Henderson Holdings Pte. Ltd.	18.40%	1.75% - 9.03%	2.00%	9.64%
Platform 4 Group Ltd.	2.00%	3.84% - 7.80%	2.00%	11.00%

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

6. Investments

Particulars	March 31, 2023	March 31, 2022
Non-current investments		
Investments in equity Instruments (Unquoted fully paid)		
Investment in joint ventures (at cost unless stated otherwise)		
9,708,696 (March 31, 2022: 9,708,696) equity shares in SIS Cash Services Private Limited of ₹ 10/- each fully paid up	508.89	407.32
49 (March 31, 2022: 49) equity shares in Habitat Security Pty. Ltd. of AUD 1/- each fully paid up	4.60	2.92
Total investment in joint ventures (A)	**513.49**	**410.24**
Investments in others (at FVTPL)		
30 (March 31, 2022: Nil) equity shares in Staqu Technologies Private Limited of ₹ 10/- each	0.18	-
5,000 (March 31, 2022: 5,000) equity shares in Saraswat Cooperative Bank Limited of ₹ 10/- each fully paid up	0.05	0.05
Total investments (B)	**0.23**	**0.05**
Total investment in equity instruments {A+B} (C)	**513.72**	**410.29**
Investments in preference shares (Unquoted fully paid)		
Investments in others (at FVTPL)		
17,658,153 (March 31, 2022: 17,658,153) compulsory convertible preference shares in SIS Asset Management Limited of ₹ 10/- each	177.77	177.77
7,773 (March 31, 2022: Nil) Class-2 compulsory convertible cumulative preference shares in Staqu Technologies Private Limited of ₹ 10/- each	50.01	-
2,169 (March 31, 2022: Nil) compulsory convertible preference shares in Staqu Technologies Private Limited of ₹ 542/- each	13.26	-
Total investment in preference shares (D)	**241.04**	**177.77**
Investments in debentures or bonds (Unquoted fully paid)		
Investments in joint ventures (at amortized cost)		
225 (March 31, 2022: 372) Non-convertible debentures in SIS Cash Services Private Limited of ₹ 1,000,000/- each fully paid up*	125.00	372.00
Total investments in debentures or bonds (E)	**125.00**	**372.00**
Total non-current investments {C+D+E} (F)	**879.76**	**960.06**
Current investments		
Investments in Mutual funds (Quoted fully paid)		
Investments in mutual funds (at FVTPL)	3.22	2.93
Total investments in mutual funds (G)	**3.22**	**2.93**
Investments in debentures or bonds (Unquoted fully paid)		
Investments in joint ventures (at amortized cost)		
Non-convertible debentures in SIS Cash Services Private Limited of ₹ 1,000,000/- each fully paid up*	100.00	-
Total investments in debentures or bonds (H)	**100.00**	**-**
Total current investments {G+H} (I)	**103.22**	**2.93**
Total investments {F+I}	**982.98**	**962.99**
Aggregate value of quoted investments and market value thereof	3.22	2.93
Aggregate value of unquoted investments	979.76	960.06
Aggregate amount of impairment in value of investments	-	-

* *During the year ended March 31, 2023, current maturity of non-convertible debentures in SIS Cash Services Private Limited amounting to ₹ 100 Million respectively (March 31, 2022: Nil) has been disclosed under current investments.*

All amounts in ₹ Million, unless stated otherwise

7. Other financial assets

Particulars	March 31, 2023	March 31, 2022
Other non-current financial assets		
Security deposits (unsecured, considered good)	313.92	410.23
Margin money in the form of fixed deposits *	128.28	245.34
Fixed deposit maturing after 12 months	221.20	11.14
Other non-current financial assets	36.10	46.10
Total other non-current financial assets	**699.50**	**712.81**
Other current financial assets		
Unbilled revenue ** (Refer note 23)	5,990.05	4,867.30
Security deposits (unsecured, considered good)	186.70	134.53
Interest accrued on deposits/ investments/ loans	93.35	89.32
Other receivables	137.78	24.67
Total other current financial assets	**6,407.88**	**5,115.82**
Total financial assets	**7,107.38**	**5,828.63**

* *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 Group 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 40.

Refer note 41 for the Group's policy regarding impairment allowance on other financial assets and Group's credit risk management processes.

8. Income tax

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

Statement of profit and loss:

Profit or loss section:

Particulars	March 31, 2023	March 31, 2022
Current income tax:		
Current income tax charge	344.35	770.21
Adjustments in respect of current income tax expense/(reversal) of previous years	77.14	(9.05)
Deferred tax:		
Decrease/(increase) in deferred tax assets (net)	(1,037.41)	(581.82)
Income tax expense/(credit) reported in the statement of profit and loss	**(615.92)**	**179.34**

OCI section:

Tax related to items recognized in OCI during the year:

Particulars	March 31, 2023	March 31, 2022
Tax expense/(credit) on re-measurements of defined benefit plans	31.18	(20.89)
Income tax charged/(credited) to OCI	**31.18**	**(20.89)**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

8. Income tax (Contd.)

Amount recognized directly in equity:

Particulars	March 31, 2023	March 31, 2022
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, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax from continuing operations	2,849.10	3,438.61
Accounting profit before income tax	2,849.10	3,438.61
Income tax expense at statutory rate @ 25.17% (March 31, 2022: 25.17%)	717.06	865.43
Adjustments in respect of income tax of previous years	77.14	(9.05)
Additional temporary tax deductible in respect of certain benefits under the Income Tax Act, 1961	(1,628.19)	(827.74)
Non-Deductible expenses for tax purposes		
Corporate social responsibility expenditure	6.35	9.41
Donation	1.73	0.45
Other non-deductible expenses	124.15	55.16
Income taxed at differential rates		
Dividend from foreign subsidiaries taxed at a different/lower rate	-	(13.66)
Entities taxed at different rates	85.84	99.34
Tax expense reported in the statement of profit and loss	**(615.92)**	**179.34**

The effective tax rate applicable to the Parent for the financial year 2023-24 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, 2023	March 31, 2022
Property, plant and equipment/Intangible assets	(322.17)	(334.69)
Defined benefit obligations	1,772.30	1,753.36
Deductions in respect of certain benefits under the Income Tax Act, 1961	1,541.53	647.88
Accruals and others	73.25	120.23
Allowance for expected credit loss – trade receivables	225.50	180.81
Unused tax losses	185.91	173.51
Total deferred tax assets/(liabilities)	**3,476.32**	**2,541.10**

Reflected in the balance sheet as follows:

Particulars	March 31, 2023	March 31, 2022
Deferred tax assets	3,906.72	2,911.03
Deferred tax liabilities	430.40	369.93
Deferred tax assets/(liabilities), net	**3,476.32**	**2,541.10**

All amounts in ₹ Million, unless stated otherwise

8. Income tax (Contd.)

Reconciliation of deferred tax assets/(liabilities), net:

Particulars	Property, plant and equipment /Intangible assets	Defined benefit obligations	Deductions in respect of certain benefits under the Income Tax Act, 1961	Accruals and others	Allowance for expected credit loss – trade receivables	Unused tax losses	Total
As at April 01, 2021	**(486.34)**	**1,565.46**	**350.90**	**186.66**	**134.28**	**180.71**	**1,931.67**
Tax income/(expense) during the period recognized in profit or loss	170.89	137.69	296.98	(62.98)	46.43	(7.20)	581.82
Tax income/(expense) during the period recognized in OCI	-	20.89	-	-	-	-	20.89
Addition on business combination	(15.61)	-	-	-	-	-	(15.61)
Exchange translation	(3.63)	29.32	-	(3.45)	0.10	-	22.33
As at March 31, 2022	**(334.69)**	**1,753.36**	**647.88**	**120.23**	**180.81**	**173.51**	**2,541.10**
Tax income/(expense) during the period recognized in profit or loss	83.82	89.58	893.65	(86.91)	44.87	12.40	1,037.41
Tax income/(expense) during the period recognized in OCI	-	(31.18)	-	-	-	-	(31.18)
Addition on business combination	(78.27)	-	-	31.83	-	-	(46.44)
Exchange translation	6.97	(39.46)	-	8.10	(0.18)	-	(24.57)
As at March 31, 2023	**(322.17)**	**1,772.30**	**1,541.53**	**73.25**	**225.50**	**185.91**	**3,476.32**

Deferred tax assets and liabilities above have been determined by applying the income tax rates applicable to respective entities in the Group.

Deferred tax assets and liabilities in relation to taxes payable by various entities/ under different tax basis have not been offset in the financial statements.

Unrecognized temporary differences:

Certain subsidiaries of the Group have undistributed earnings which, if paid out as dividends would be subject to tax in the hand of the recipient. An assessable temporary difference exists but no deferred tax liability has been recognized as the Parent is able to control the timing of distribution from the subsidiaries and the earnings are expected to be utilized for their business expansion.

Income tax assets:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**2,395.03**	**1,586.68**
Acquisition	-	-
Taxes paid	1,117.40	837.24
Refund received	(1,087.97)	(8.02)
Current tax payable for the year	(27.05)	(20.87)
Income tax assets	**2,397.41**	**2,395.03**

Current tax liabilities:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**4.33**	**505.70**
Current tax payable for the year	315.08	736.59
Taxes paid	(406.20)	(1,220.50)
Refund received	-	(2.54)
Acquisition	(10.40)	-
Exchange translation	(3.91)	(14.92)
Total tax liabilities/(assets)	**(101.10)**	**4.33**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

9. Other Assets

Particulars	March 31, 2023	March 31, 2022
Other non-current assets		
Capital advances	16.93	29.25
Other advances	-	2.58
Total other non-current assets	**16.93**	**31.83**
Other current assets		
Prepaid expenses	653.58	514.54
Cost to obtain/fulfil contract with customers	5.54	17.73
Security deposits	167.32	319.79
Other advances *	502.21	91.59
Total other current assets	**1,328.65**	**943.65**
Total other assets	**1,345.58**	**975.48**

** Includes balance with revenue authorities.*

10. Inventories

Particulars	March 31, 2023	March 31, 2022
Stock-in-trade	23.93	138.62
Uniforms	172.83	164.06
Consumables	117.52	37.57
Total inventories at the lower of cost and net realisable value	**314.28**	**340.25**

11. Trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	17,743.97	14,627.59
Less: Allowance for expected credit loss	966.91	714.63
Total trade receivables	**16,777.06**	**13,912.96**

Break-up of security details:

Particulars	March 31, 2023	March 31, 2022
Secured, considered good	-	-
Unsecured, considered good	16,777.06	13,912.96
Total	**16,777.06**	**13,912.96**

The amount of loss allowance (lifetime expected credit loss) has been recognized under the simplified approach for trade receivable and hence break- up of trade receivable into 'significant increase in credit risk' and 'credit impaired' has not been disclosed separately.

The ageing schedule for outstanding trade receivables from the due date is given below:

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables	9,160.54	5,996.47	790.04	629.73	486.77	545.34	**17,608.89**
(ii) Disputed trade receivables	-	0.89	6.48	8.03	10.62	109.06	**135.08**

All amounts in ₹ Million, unless stated otherwise

11. Trade receivables (Contd.)

Year ended March 31, 2022

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables	7,185.26	5,272.04	613.60	522.80	296.15	564.85	**14,454.70**
(ii) Disputed trade receivables	0.24	18.88	6.86	34.06	44.57	68.28	**172.89**

The movement in allowance for expected credit loss is as follows:

Particulars	March 31, 2023	March 31, 2022
Opening balance	**714.63**	**550.89**
Additions	269.31	195.67
Write off (net of recovery)	(16.60)	(20.70)
Exchange differences	(0.43)	(11.23)
Closing balance	**966.91**	**714.63**

No trade receivable are due from directors or other officers of the entities of the Group 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 40.

Refer Note 41 for the Group's policy regarding impairment allowance on trade receivables and Group's credit risk management processes.

For outstanding balances, terms and conditions relating to related party receivables, refer note 40.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

12. Cash and bank balances

Cash and cash equivalents

Particulars	March 31, 2023	March 31, 2022
Balances with banks:		
– On current accounts	5,223.99	5,521.30
– Bank deposits with original maturity of three months or less*	1,428.14	1,316.40
Cash on hand	4.05	2.45
Total	**6,656.18**	**6,840.15**

**Includes amount pledged as security/margin money against guarantees issued by banks on behalf of the Group.*

Bank balances lying in various current accounts bear no interest.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

Other bank balances

Particulars	March 31, 2023	March 31, 2022
Unclaimed dividend accounts	1.04	1.05
Deposits with original maturity of more than three months and having remaining maturity of less than twelve months from reporting date	490.60	230.29
Restricted balances	85.87	32.46
Margin money *	275.99	280.14
Total	**853.50**	**543.94**

** Pledged as security/margin money against guarantees issued by banks on behalf of the Group.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

13. Equity Share capital

Authorized share capital

Particulars	(Nos. in Million)	(₹ Million)
As at April 01, 2021 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**
Increase/(decrease) during the year	-	-
As at March 31, 2022 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**
Increase/(decrease) during the year	-	-
As at March 31, 2023 (Equity shares of ₹ 5 each)	**270.00**	**1,350.00**

Issued, Subscribed and paid up equity capital

Particulars	(Nos. in Million)	(₹ Million)
As at April 01, 2021 (Equity shares of ₹ 5 each)	**148.30**	**741.51**
Issued on exercise of stock options	0.55	2.74
Buyback of equity shares	(1.82)	(9.09)
As at March 31, 2022 (Equity shares of ₹ 5 each)	**147.03**	**735.16**
Issued on exercise of stock options	0.15	0.76
Buyback of equity shares	(1.45)	(7.27)
As at March 31, 2023 (Equity shares of ₹ 5 each)	**145.73**	**728.65**

During the year ended March 31, 2023, pursuant to the approval of the Board of Directors of the Parent, at its meeting held on June 29, 2022, and the shareholders, by way of a special resolution through postal ballot, on August 12, 2022, 1,454,545 equity shares of face value of ₹ 5 each of the Parent were offered for buyback by the Parent to all eligible shareholders of the Parent, through the tender offer process, for an aggregate amount not exceeding 800 Million, being 0.99% of the total paid up equity share capital of the Parent as on March 31, 2022, at ₹ 550 per equity share, as per the provisions of the Security and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended and the Companies Act, as amended. The said buyback through the tender offer process was completed on November 11, 2022. The Parent has funded the buyback from its free reserves as required under the said regulations. As a result of the buyback, 1,454,545 equity shares of face value of ₹ 5 each of the Parent ere extinguished by appropriating a sum of ₹ 792.73 Million from the securities premium and an amount of ₹ 7.27 Million, being a sum equal to the nominal value of the Equity Shares bought back through the buyback have been transferred to the capital redemption reserve account.

During the year ended March 31, 2022, pursuant to the approval of the Board of Directors of the Parent, at its meeting held on February 15, 2021, and the shareholders, by way of a special resolution through postal ballot, on March 20, 2021, 1,818,181 equity shares of face value of ₹ 5 each of the Parent were offered for buyback by the Parent to all eligible shareholders of the Parent, through the tender offer process, for an aggregate amount not exceeding 1,000 Million, being 1.24% of the total paid up equity share capital of the Parent as on March 31, 2020, at ₹ 550 per equity share, per the provisions of the Security and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended and the Companies Act, as amended. The said buyback through the tender offer process was completed on June 21, 2021. The Parent has funded the buyback from its free reserves as required under the said regulations. As a result of the buyback, 1,818,181 equity shares of face value of ₹ 5 each of the Parent we e extinguished by appropriating a sum of ₹ 990.91 Million from the securities premium and an amount of ₹ 9.09 Million, being a sum equal to the nominal value of the Equity Shares bought back through the buyback have been transferred to the capital redemption reserve account.

Notes (pre share sub-division effect):

a) 2,210,500 and 62,457,240 equity shares were allotted as fully paid Bonus Shares by capitalization of general reserve during the year ended March 31, 2006 and March 31, 2017 respectively.

b) Mr. Uday Singh was the holder of 79,000 unpaid shares in SIS International Holdings Ltd., a wholly-owned subsidiary. In terms of a letter dated December 01, 2009, Mr. Singh had the option to exchange these shares for shares of the Company in a manner reflecting the fair value of these shares, reduced by the amounts unpaid on them. Subsequently, in lieu of these shares and suitably adjusted for amounts unpaid thereon, Mr. Singh was allotted 40,565 Equity Shares during the year ended March 31, 2017, at a ratio as determined in accordance with a valuation report prepared by a SEBI registered merchant banker.

c) During the year ended March 31, 2018, the Parent completed an Initial Public Offering (IPO) of its shares consisting of a fresh offer of 4,444,785 equity shares of ₹ 10 each at a premium of ₹ 805 per share and an offer for sale of 5,120,619 equity shares of ₹ 10 each by the selling shareholders. The proceeds of the fresh offer component from the IPO amounted to ₹ 3,410.47 (Million) (net of issue expenses). The equity shares of the Parent were listed on NSE and BSE effective August 10, 2017.

All amounts in ₹ Million, unless stated otherwise

13. Equity Share capital (Contd.)

Terms/rights attached to equity shares

The Parent has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share and to participate in dividends in proportion to the number of and amounts paid on the shares held. The Parent declares and pays dividends in Indian rupees.

In the event of liquidation of the Parent, the holders of equity shares will be entitled to receive the remaining assets of the Parent, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Parent

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. in Million	% holding in the class	No. in Million	% holding in the class
Ravindra Kishore Sinha	57.16	39.23%	57.65	39.21%
Rita Kishore Sinha	23.31	16.00%	23.51	15.99%
Rituraj Kishore Sinha	15.66	10.74%	15.79	10.74%

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, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019 *
	No.	No.	No.	No.	No.
Equity shares allotted as fully paid bonus shares by capitalization of general reserve	-	-	10,480	10,480	211,960
Equity shares allotted as fully paid up without payment being received in cash	-	-	-	-	-
Buyback of equity shares	1,454,545	1,818,181	-	-	-

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

Details of promoter shareholding in the Parent

Year ended March 31, 2023

S. No.	Name of the Promoter	Equity shares as on April 01, 2022 (in Nos.)	% holding in the class	Equity shares as on March 31, 2023 (in Nos.)	% holding in the class	% Change during the year
1.	Ravindra Kishore Sinha	57,648,582	39.21%	57,163,671	39.23%	0.02%
2.	Rituraj Kishore Sinha	15,791,311	10.74%	15,658,482	10.74%	0.00%
Total		**73,439,893**		**72,822,153**		

Year ended March 31, 2022

S. No.	Name of the Promoter	Equity shares as on April 01, 2021 (in Nos.)	% holding in the class	Equity shares as on March 31, 2022 (in Nos.)	% holding in the class	% Change during the year
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**		

Shares reserved for issue under options

Employees stock options

Refer note 28 for details regarding employee stock options issued by the Group.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

14. Other equity

Particulars	March 31, 2023	March 31, 2022
Reserves and surplus		
Securities premium	1,946.94	2,736.01
General reserve	563.47	560.94
Retained earnings	19,022.22	15,623.96
Total reserves and surplus (A)	**21,532.63**	**18,920.91**
Other reserves		
Stock options outstanding account	334.87	225.41
Debenture redemption reserve	-	-
Capital reserve	181.24	181.24
Capital redemption reserve	16.36	9.09
Total other reserves (B)	**532.47**	**415.74**
Foreign currency translation reserve (C)	539.18	640.69
Share application money pending allotment (D)	-	0.02
Total other equity (A+B+C+D)	**22,604.28**	**19,977.36**

Securities premium

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**2,736.01**	**3,691.46**
Exercise of stock options	23.55	55.28
Buyback of equity shares	(800.00)	(1,000.00)
Transaction cost related to buyback of equity shares (net of taxes)	(12.62)	(10.73)
Balance at the end of year	**1,946.94**	**2,736.01**

General reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**560.94**	**185.94**
Transferred from debenture redemption reserve	-	375.00
Transferred from stock options outstanding on account of stock options expired	2.53	-
Balance at the end of year	**563.47**	**560.94**

Retained earnings

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**15,623.96**	**12,663.62**
Net Profit/(loss) for the year	3,465.02	3,259.27
Other comprehensive income recognized directly in retained earnings	95.27	(58.21)
Appropriations –		
– Share issue expenses incurred by subsidiary entities	(0.19)	-
– Tax on buyback of equity shares	(184.67)	(230.84)
– Transactions with non-controlling interests	22.83	(9.88)
Balance at the end of year	**19,022.22**	**15,623.96**

All amounts in ₹ Million, unless stated otherwise

14. Other equity (Contd.)

Stock options outstanding account

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**225.41**	**78.21**
Stock option compensation expense	135.54	202.48
Transferred to securities premium on exercise of stock options	(23.55)	(55.28)
Transferred to general reserve on stock options expired	(2.53)	-
Balance at the end of year	**334.87**	**225.41**

Capital reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**181.24**	**181.24**
Increase/ (decrease) during the year	-	-
Balance at the end of year	**181.24**	**181.24**

Capital redemption reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**9.09**	**-**
Created on buyback of equity shares	7.27	9.09
Balance at the end of year	**16.36**	**9.09**

Debenture redemption reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**-**	**375.00**
Created from retained earnings	-	-
Transferred to general reserve	-	(375.00)
Balance at the end of year	**-**	**-**

Foreign currency translation Reserve

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**640.69**	**390.36**
Translation reserve	(101.51)	250.33
Balance at the end of year	**539.18**	**640.69**

Share application money pending allotment

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of year	**0.02**	**0.29**
Share application money received during the year	0.70	2.47
Issued on exercise of stock options	(0.72)	(2.74)
Balance at the end of year	**-**	**0.02**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

14. Other equity (Contd.)

Nature and purpose of Reserves

Securities Premium

Security premium is used to record the premium on issue of shares or other securities such as debentures or bonds. The reserve is utilized in accordance with the Companies Act, 2013.

General Reserve

The general reserve is the result of a Group's transferring a certain amount of profit from the account of retained earnings to the general reserve account. The purpose of setting up a general reserve account is to meet potential future unknown liabilities. In other words, the general reserve is a free reserve which can be utilized for any purpose after fulfilling certain conditions.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Group and re-measurement differences on defined benefit plans.

Stock Options outstanding Account

The stock options outstanding account is used to recognize the grant date fair value of options issued to employees under the Parent's employee stock option plan. The share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer note 28 for further details.

Capital redemption reserve

As per the Companies Act, 2013, Capital redemption reserve is created when a company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. This reserve can be utilized unaccordance with the provisions of Section 69 of the Companies Act, 2013.

Capital reserve

It pertains to capital reserve created pursuant to the scheme of arrangement under the Act accounted under demerger and excess of purchase consideration over fair value of net assets.

Debenture redemption reserve

Pursuant to the provisions of the Act, the Group is required to create debenture redemption reserve out of the profits which is to be utilized for the purpose of redemption of debentures. On redemption of the debentures, the related amount of this reserve will be transferred to retained earnings.

Foreign currency translation Reserve

Translation differences included in the foreign currency translation reserve arise as a result of translating the financial statement items from the functional currency into the presentational currency using the exchange rate at the balance sheet date, which differs from the rate in effect at the last measurement date of the respective item.

Share application money pending allotment

Share application money pending allotment represents the exercise price received from employees of the Group against stock options on which allotment is not yet made.

All amounts in ₹ Million, unless stated otherwise

15. Borrowings

Particulars	Note	March 31, 2023	March 31, 2022
Non-current borrowings			
Secured			
Bonds/debentures			
– Non-convertible debentures	a	-	1,894.32
Term loans			
From banks			
– HDFC Bank Limited	b	38.08	55.44
– ICICI Bank Limited	c	-	45.55
– National Australia Bank	d	5,582.33	5,498.65
– Yes Bank Limited	e	108.58	92.97
– Small Industries Development Bank of India ('SIDBI')	f	-	21.18
– Kotak Mahindra Bank Limited	g	67.75	157.83
– Standard Chartered Bank	h	254.24	152.36
– Vehicle Loan from various banks	i	534.56	440.15
From other parties			
– Axis Finance Limited	j	940.12	-
– Bajaj Finance Limited	k	940.22	-
– Vehicle loan from others	l	102.89	36.39
Total secured borrowings		**8,568.77**	**8,394.84**
Total non-current borrowings		**8,568.77**	**8,394.84**
Current maturity of long-term borrowings		(536.93)	(2,326.04)
Non-current borrowings (as per balance sheet)		**8,031.84**	**6,068.80**
Current borrowings			
Secured			
Loans repayable on demand			
From banks			
– Kotak Mahindra Bank Limited	m	19.50	-
– RBL Bank Ltd.	n	67.66	114.85
– Axis Bank Limited	m	588.94	800.22
– HDFC Bank Limited	m	2,569.56	1,960.39
– ICICI Bank Limited	m	701.03	749.62
– Standard Chartered Bank	m	381.18	173.46
– State Bank of India	o	640.00	420.73
– Yes Bank Limited	p	1,407.36	665.38
– Commonwealth bank of Australia	q	-	3.78
Total secured borrowings		**6,375.23**	**4,888.43**
Unsecured			
Loans repayable on demand			
From Banks			
– HDFC Bank Limited		200.00	-
From Others			
– Borrowings from others	r	79.01	-
Total unsecured borrowings		**279.01**	**-**
Current maturity of long-term borrowings		536.93	2,326.04
Current borrowings (as per balance sheet)		**7,191.17**	**7,214.47**
Aggregate secured borrowings		14,944.00	13,283.27
Aggregate unsecured borrowings		279.01	-

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

15. Borrowings (Contd.)

Break up of current Maturities of long-term borrowings:

Particulars	March 31, 2023	March 31, 2022
Secured		
Bonds/ debentures	-	1,894.32
Term loans		
From banks	446.21	413.89
From other parties	90.72	17.83
Total current maturity of long-term borrowings	**536.93**	**2,326.04**

Notes:

Long-Term Borrowings - Secured:

Bonds/debentures:

a) ICICI Prudential Assets Management Company Limited has subscribed to 1,900 non-convertible debentures (NCDs) of ₹ 1,000,000/- each on March 30, 2021. The NCDs carried interest @ 7.90% per annum, payable annually. The NCDs were secured against 85.68% shareholding in Dusters total solutions services private limited. The debentures were redeemable after 2 years from the date of issue. i.e., March 30, 2023. During the year ended March 31, 2023, NCDs have been repaid on maturity.

Term loans:

From Banks:

b) HDFC Bank Limited:

(i) The Term loans are secured against an exclusive charge over the fixed assets and current assets of the Service Clean Master Private Limited and by a Corporate Guarantee from the Parent. The term loans are repayable in 54 equal monthly instalments from the date of respective draw down, totalling ₹ 1.70 Million per month with repayment commencing from January 2020 and are scheduled to be completely repaid by FY 2024-25.

(ii) Secured against the fixed assets of Rare Hospitality and Services Private Limited purchased out of various disbursement of the loan proceeds and corporate guarantee from the Parent. The repayments are scheduled in 25-36 equal monthly instalments of ₹ 0.03 Million - 0.18 Million each and are scheduled to be completely repaid by FY 2024-25.

c) ICICI Bank Limited:

Secured by way of first charge on the movable fixed assets of SLV Security Services Private Limited, purchased out of the term loan proceeds both present and future (excluding exclusive charge of SIDBI on the movable fixed assets) and corporate guarantee from the Parent. The loan was repayable in 11 quarterly equal instalments and has been repaid during FY 2022-23.

d) National Australia Bank:

Secured by all assets of SIS Australia Group Pty. Ltd. and its subsidiaries. The loan is scheduled for repayment on its maturity (i.e., November 28, 2024). The loan carries interest @ 3.75% per annum plus margin based on Leverage ratio (1.75%).

e) Yes Bank Limited:

Secured by way of first pari passu charge over the entire movable fixed assets (both present and future) of Service Master Clean Limited and by corporate guarantee from the Parent. The term loans are repayable in 54 equal monthly instalments after a moratorium period of 6 months from the date of first disbursement, totalling ₹ 2.59 Million per month with repayment commencing from April 2022 and is schedule to be repaid by FY 2026-27.

f) Small Industries Development Bank of India (SIDBI):

Secured by way of first charge on the movable fixed assets of SLV Security Services Private Limited, purchased out of loan proceeds (both present and future). The loan was repayable in monthly equal instalments and has been fully repaid in FY 2022-23.

All amounts in ₹ Million, unless stated otherwise

15. Borrowings (Contd.)

g) Kotak Mahindra Bank Limited:

Secured by way of first charge on the movable fixed assets of the Parent purchased out of the term loan proceeds and second pari passu charge on receivables/ current assets of the Parent both present and future. The loan is repayable in 18 equal quarterly instalments commenced from the end of the 1st quarter of FY 2019-20 after the end of moratorium period of six months and last installment repayment is scheduled in fourth quarter of FY 2023-24.

h) Standard Chartered Bank:

Secured by way of first charge on the monitoring equipment of Parent, purchased out of the term loan proceeds. The loan is repayable in 12 equal quarterly instalments commenced from the end of the fourth quarter of FY 2021-22 and last installment repayment is scheduled in third quarter of FY 2024-25.

i) Vehicle loans from banks are secured by hypothecation of vehicles purchased against the loan taken from that Bank. The loans have various repayment schedules and last instalment repayment is scheduled in FY 2028-29.

The term loans mentioned above except vehicle loans and loan from National Australia Bank ('NAB'), carry interest at quarterly/ half-yearly/ yearly MCLR/ MIBOR/ Repo plus spread margin ranging from 75 bps to 315 bps (March 31, 2022: 75 bps to 315 bps). The vehicle loans carry interest from 7.10% to 10.50% per annum for India business and 4.00% to 8.00% for international business.

From other parties:

j) Axis Finance Limited:

Secured by way of first pari passu charge on current and non-current assets of Dusters Total Solution Services Private Limited & Uniq Security Solutions Private Limited and 13 % pledge of shares of Dusters Total Solutions Services Private Limited. The loan is repayable on 5 semi-annual equal instalments commenced from the end of fourth quarter of FY 2024-25 after the moratorium of 1.5 years and last payment of repayment is scheduled on fourth quarter of FY 2026-27.

k) Bajaj Finance Limited:

Secured by way of first pari passu charge on current and movable fixed assets of Dusters Total Solutions Services Private Limited & UNIQ Security Solutions Private Limited and 13 % pledge of shares of Dusters Total Solutions Services Private Limited. The loan is repayable on 8 equal quarterly instalments commenced from the end of first quarter of FY 2024-25 after the moratorium of 1 year and last payment of repayment is scheduled on fourth quarter of FY 2025-26.

l) Vehicle Loan from others are secured by hypothecation of the respective vehicle(s) purchased against the loan taken from that respective financer(s). The loans carry interest from 7.50% to 10.50% per annum for India business and 5.00% to 8.00% for international business. The loans have various repayment schedules and the last instalment repayment is scheduled in FY 2027-28.

Short-Term Borrowings - Secured Loans repayable on demand:

m) (i) Secured by first pari passu charges over the current assets and immovable fixed assets and second pari passu charge over movable fixed assets of the Parent.

(ii) Secured by first pari passu charges over the movable fixed assets and second pari passu charge over current assets of the Service Master Clean Limited and corporate guarantee from the Parent.

(iii) Secured by first pari passu charges over the current assets and second pari passu charge over movable fixed assets of the SLV Security Services Private Limited and corporate guarantee from the Parent.

(iv) Secured by first pari passu charge on current assets of Dusters Total Solutions Services Private Limited.

(v) Secured against stocks and book debts (both present and future) of Rare Hospitality and Services Private Limited and Corporate Guarantee from Parent.

n) (i) Cash Credit facility from RBL Bank Limited is secured by an exclusive charge on the entire assets of SIS Alarm Monitoring and Response Services Pvt. Ltd., both present and future; and an unconditional and irrevocable corporate guarantee of the Parent.

(ii) Secured by first pari passu charge on current assets of Dusters Total Solutions Services Private Limited.

(iii) Secured by first exclusive charge on current assets of ADIS enterprises Private Limited both present and future.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

15. Borrowings (Contd.)

o) Secured by first pari passu charges over the current assets and movable fixed assets (both present and future) of the Company second pari passu charge is with other working capital lenders.

p) (i) Secured by pari passu charge over the current assets of the Parent both present and future.

(ii) Secured by first charge over all current assets and fixed assets of Service Master Clean Limited and Corporate Guarantee from the Parent.

(iii) Secured by first pari passu charge on current assets of the Dusters Total Solutions Services Pvt. Ltd.

(iv) Secured by an exclusive charge on current assets and movable fixed assets of Tech SIS Limited and corporate guarantee from the Parent.

(v) Secured by the pari passu charge on the entire assets of SIS Alarm Monitoring and Response Services Pvt. Ltd., both present and future; and an unconditional and irrevocable corporate guarantee of the Parent.

(vi) Secured by an exclusive charge on entire current assets and movable fixed assets of Terminix SIS India Private Limited both present and future.

The short-term borrowings charges are excluding assets specifically charged to term lenders, if any.

The loans repayable on demand mentioned above except loan from Commonwealth bank of Australia, carry interest at quarterly/ half yearly/ yearly MCLR/ MIBOR/ Repo plus spread margin ranging from 25 bps to 209 bps (March 31, 2022: 25 bps to 60 bps) for cash credit facility and ranging from 6.00% p.a. to 11.40% p.a. for WCDL facilities (March 31, 2022: 4.30% p.a. to 4.60 % p.a.).

q) The loan from Commonwealth bank of Australia was scheduled for repayment every quarter. The loan interest changes every quarter, last interest rate January 2021 was 0.0619%. The bank debt was secured by a fixed and floating charge over the assets of the international group.

r) The loan represents an invoice discounting facility with a non-banking lender. This carries Interest at BBSY plus 4% spread plus 1.2% margin.

There has been no default in the payment of interest or repayment of principal in respect of the above loans/ borrowings.

16. Lease Liabilities

Particulars	March 31, 2023	March 31, 2022
Non-current lease liabilities	921.26	900.08
Current lease liabilities	330.66	324.78
Total lease liabilities	**1,251.92**	**1,224.86**

Movement of lease liabilities during the year

Particulars	March 31, 2023	March 31, 2022
Opening balance	**1,224.86**	**1,167.41**
Additions	294.70	271.88
Additions through Business Combinations	101.85	-
Deletions/adjustments during the year	(54.75)	29.04
Finance cost accrued during the year	114.12	105.63
Payment of lease liability	(409.57)	(361.53)
Translation differences	(19.29)	12.43
Closing balance	**1,251.92**	**1,224.86**

The Group does not expect potential exposure to variable lease payments, extension/termination options, guaranteed residual value and lease commitments.

All amounts in ₹ Million, unless stated otherwise

17. Trade payables

Particulars	March 31, 2023	March 31, 2022
Non-current	-	-
Current		
Trade payables		
– Total outstanding dues of micro enterprises and small enterprises (MSME)	53.23	39.23
– Total outstanding dues of creditors other than micro enterprises and small enterprises	585.85	543.38
Total current trade payables	**639.08**	**582.61**
Total trade payables	**639.08**	**582.61**

The ageing schedule for outstanding trade payables where due date is given below:

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	32.98	20.25	-	-	-	**53.23**
(ii) Others	225.15	326.64	21.98	5.40	6.68	**585.85**

Year ended March 31, 2022

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.84	20.39	-	-	-	**39.23**
(ii) Others	220.34	294.40	11.34	15.62	1.68	**543.38**

There are no disputed dues during the year ended March 31, 2023 and March 31, 2022.

The terms and conditions of the above financial liabilities are as follows:

a) Trade payables are non-interest bearing and are normally settled on credit terms ranging from 30-60 days which vary by vendor and type of service.

b) For outstanding balances, terms and conditions with related parties, refer note 40.

18. Other financial liabilities

Particulars	March 31, 2023	March 31, 2022
Non-current		
Contingent consideration (refer note 34)	52.69	-
Total other non-current financial liabilities	**52.69**	**-**
Current		
Capital creditors	100.60	7.91
Interest accrued but not due on borrowings	236.14	231.97
Unclaimed/unpaid dividends	1.04	1.05
Employee benefits payable	4,612.04	3,752.62
Contingent consideration (refer note 34)	2.47	-
Other payables and accruals *	3,569.19	3,455.45
Total other current financial liabilities	**8,521.48**	**7,449.00**
Total other financial liabilities	**8,574.17**	**7,449.00**

** Includes unbilled dues having ageing of less than one year.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

19. Financial instruments by category

Particulars	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets:						
Investments						
– Equity instruments	0.23	-	-	0.05	-	-
– Preference shares	241.04	-	-	177.77	-	-
– Bonds and debentures	-	-	225.00	-	-	372.00
– Mutual funds	3.22	-	-	2.93	-	-
Trade receivables	-	-	16,777.06	-	-	13,912.96
Cash and cash equivalents	-	-	6,656.18	-	-	6,840.15
Other bank balances	-	-	853.50	-	-	543.94
Other financial assets	24.66	-	7,082.72	24.66	-	5,803.97
Total financial assets	**269.15**	**-**	**31,594.46**	**205.41**	**-**	**27,473.02**
Financial liabilities:						
Trade payables	-	-	639.08	-	-	582.61
Borrowings	-	-	15,223.01	-	-	13,283.27
Lease liabilities	-	-	1,251.92	-	-	1,224.86
Other financial liabilities	55.16	-	8,519.01	-	-	7,449.00
Total financial liabilities	**55.16**	**-**	**25,633.02**	**-**	**-**	**22,539.74**

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis and the basis for that measurement is as below:

Particulars	March 31, 2023			March 31, 2022		
	Level 1 inputs	Level 2 inputs	Level 3 inputs	Level 1 inputs	Level 2 inputs	Level 3 inputs
Financial assets:						
Investments carried at FVTPL	3.22	-	241.27	2.93	-	177.82
Other financial assets	-	-	24.66	-	-	24.66
Total financial assets	**3.22**	**-**	**265.93**	**2.93**	**-**	**202.48**
Other financial liabilities	-	-	55.16	-	-	-
Total financial liabilities	**-**	**-**	**55.16**	**-**	**-**	**-**

Valuation methodologies

Investments in equity/preference instruments: The Group's investments consist primarily of investment in equity/preference shares of unquoted companies. Management has considered cost to be approximating to fair value of such investments.

All of the resulting fair value estimates are included in Level 3 as the fair values have been determined based on present values and discount rates used are adjusted for counter party or own credit risk.

All amounts in ₹ Million, unless stated otherwise

19. Financial instruments by category (Contd.)

The following table presents the change in Level 3 items for the periods ended March 31, 2023 and March 31, 2022:

Particulars	Unquoted Investments	Indemnification asset	Liability for forward contract for purchase of non-controlling interests	Contingent consideration
As at April 01, 2021	**177.82**	**23.36**	**510.20**	**1,731.68**
Unwinding of present value discount	-	1.30	-	-
(Gains)/loss on fair value recognized in statement of profit and loss	-	-	-	(239.36)
Discharge of liability	-	-	(510.20)	(1,536.35)
Translation adjustments	-	-	-	44.03
As at March 31, 2022	**177.82**	**24.66**	**-**	**-**
Additions	63.45	-	-	56.60
Unwinding of present value discount	-	-	-	0.40
(Gains)/loss on fair value recognized in statement of profit and loss	-	-	-	-
Discharge of liability	-	-	-	-
Translation adjustments	-	-	-	(1.84)
As at March 31, 2023	**241.27**	**24.66**	**-**	**55.16**
Unrealized fair value (gains)/losses recognized in statement of profit and loss related to assets and liabilities held as on reporting date:				
March 31, 2023	**-**	**-**	**-**	**-**
March 31, 2022	-	-	-	(239.36)

Fair Values of assets and liabilities carried at amortized costs are as follows:

Particulars	Fair value hierarchy	March 31, 2023		March 31, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:					
Investments	Level 2	225.00	232.59	372.00	399.98
Trade receivables		16,777.06	16,777.06	13,912.96	13,912.96
Cash and cash equivalents		6,656.18	6,656.18	6,840.15	6,840.15
Other bank balances		853.50	853.50	543.94	543.94
Other financial assets		7,082.72	7,082.72	5,803.97	5,803.97
Total financial assets		**31,594.46**	**31,602.05**	**27,473.02**	**27,501.00**
Financial liabilities:					
Trade payables		639.08	639.08	582.61	582.61
Borrowings - floating rate		14,585.56	14,585.56	10,912.41	10,912.41
Borrowings - fixed rate	Level 2	637.45	628.23	2,370.86	2,057.33
Lease liability		1,251.92	1,251.92	1,224.86	1,224.86
Other financial liabilities		8,519.01	8,519.01	7,449.00	7,449.00
Total financial liabilities		**25,633.02**	**25,623.80**	**22,539.74**	**22,226.21**

The Group assessed that fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables, bank overdrafts, lease liability and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

19. Financial instruments by category (Contd.)

The fair value of investments and fixed rate borrowings are calculated based on fixed cash flows discounted using weighted average cost of debt as on balance sheet date and accordingly classified under level 2 fair values in the fair value hierarchy due to the use of significant observable inputs.

Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements.

Particulars	Fair value as at		Significant unobservable inputs	Sensitivity
	March 31, 2023	March 31, 2022		
Unquoted Investments	241.27	177.82	Cost	Management has considered cost to be approximating to fair value of such investments.
Indemnification asset recognized on business combination	24.66	24.66	Probability of outcome of litigation	Change in estimates by 10% results in increase/ decrease in fair value by: March 31, 2023: ₹ 2.47 Million (March 31, 2022: ₹ 2.47 Million)
Contingent consideration	55.16	-	Probability of achieving financial projections	Change in estimates by 5% results in increase/ decrease in fair value by: March 31, 2023: ₹ 2.76 Million (March 31, 2022: ₹ Nil Million)

Valuation processes

The finance department of the Group includes team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every 3 months, in line with the Group's quarterly reporting period. External valuer's assistance is also taken for valuation purposes whenever required.

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Discounts rate are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management group.
- Volatility used for option pricing model is based on historical volatility of comparable companies.
- Contingent consideration – estimated based on expected cash outflows arising from the forecasted sales and the entities; knowledge of the business and how the current economic environment is likely to impact it.

20. Provisions

Particulars	March 31, 2023		March 31, 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits (refer note 28)				
Gratuity	1,297.46	361.80	1,205.22	275.64
Compensated absences	432.53	3,504.44	485.85	3,489.32
Other provisions				
IBNR	-	61.87	-	63.97
Others	19.65	30.10	8.54	29.01
Total	**1,749.64**	**3,958.21**	**1,699.61**	**3,857.94**

IBNR

The IBNR, which is the abbreviated form of incurred but not reported (IBNR), are the reserves for claims that become due with the occurrence of the events covered under the insurance policy but have not been reported yet. The sum of IBNR losses plus reported losses yields an estimate of the total eventual liabilities the insurer will cover, known as ultimate losses.

All amounts in ₹ Million, unless stated otherwise

21. Other liabilities

Particulars	March 31, 2023	March 31, 2022
Other non-current liabilities	-	-
Other current liabilities		
Statutory dues payable	1,953.09	1,722.02
Unearned income (refer note 23)	3.08	11.71
Others	8.69	11.42
Total other current liabilities	**1,964.86**	**1,745.15**
Total other liabilities	**1,964.86**	**1,745.15**

22. Government grants

Particulars	March 31, 2023	March 31, 2022
As at the beginning of the year	-	-
Received during the year	3.13	23.58
Released to the statement of profit and loss	(3.13)	(23.58)
As at the end of the year	**-**	**-**
Current	-	-
Non-current	-	-

During the year ended March 31, 2023, one of the subsidiaries avail the benefit under National Apprenticeship Promotion Scheme (NAPS) launched on August 19, 2016 wherein the Government of India provides the financial support to establishments undertaking the apprenticeship training in the following ways:

1. Reimbursement of 25% of prescribed stipend subject to a maximum of ₹ 1,500/- per month per apprentice by the Government of India to all employers who engage apprentices.
2. Reimbursement of cost of basic training (up to a limit of ₹ 7,500/- for a maximum of 500 hours = ₹ 15/hour) by the Government of India to Basic Training Providers (BTPs) in respect of apprentices who come directly for apprenticeship training without any formal training

Accordingly, such Government Grant is taken to profit or loss when the conditions are met.

During the year ended March 31, 2022, the Parent and certain subsidiaries are availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme/Provident Fund in respect of new employees joined till March 31, 2019 meeting specified criteria. The grant is paid by the Government on a monthly basis in the first three years of employment of eligible new employees on fulfilment of certain conditions. Accordingly, such Government Grant is taken to profit or loss when the conditions are met.

23. Revenue from operations

Particulars	March 31, 2023	March 31, 2022
Sale of products (traded goods)		
Revenue from sale of electronic security devices	228.78	425.46
Total (A)	**228.78**	**425.46**
Rendering of services		
Security services		
From guarding and other security services	92,996.25	85,174.60
Facility management services		
From Housekeeping, Cleaning, Facility operation & management services	18,569.75	13,602.48
From pest control services	322.28	295.95
Other services		
From training fees	122.29	95.48
Total rendering of services (B)	**112,010.57**	**99,168.51**
Other operating revenues*	1,218.45	996.79
Total (C)	**1,218.45**	**996.79**
Revenue from operations (A+B+C)	**113,457.80**	**100,590.76**

**Includes revenue from the sale of uniforms to employees.*

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

23. Revenue from operations (Contd.)

Disaggregate revenue information

The following table presents the disaggregated revenue from contracts with customers for the year ended March 31, 2023.

Particulars	Security Services – India	Security Services – International	Facility Management	Inter-segment eliminations	Total
Revenue by time of recognition					
At a point in time (sale of equipments)	201.74	27.04	-	-	**228.78**
Over the period of time	46,059.29	48,732.13	18,998.28	(560.68)	**113,229.02**
Total	**46,261.03**	**48,759.17**	**18,998.28**	**(560.68)**	**113,457.80**
Revenue by geographical markets					
India	46,261.03	-	18,998.28	(560.68)	**64,698.63**
Outside India	-	48,759.17	-	-	**48,759.17**
Total	**46,261.03**	**48,759.17**	**18,998.28**	**(560.68)**	**113,457.80**

The following table presents the disaggregated revenue from contracts with customers for the year ended March 31, 2022.

Particulars	Security Services – India	Security Services – International	Facility Management	Inter-segment eliminations	Total
Revenue by time of recognition					
At a point in time (sale of equipments)	212.60	212.86	-	-	**425.46**
Over the period of time	38,356.65	48,192.37	13,946.86	(330.58)	**100,165.30**
Total	**38,569.25**	**48,405.23**	**13,946.86**	**(330.58)**	**100,590.76**
Revenue by geographical markets					
India	38,569.25	-	13,946.86	(330.58)	**52,185.53**
Outside India	-	48,405.23	-	-	**48,405.23**
Total	**38,569.25**	**48,405.23**	**13,946.86**	**(330.58)**	**100,590.76**

Contract balances:

The following table provides information about unbilled revenue and unearned income from contract with customers:

Particulars	March 31, 2023		March 31, 2022	
	Unbilled revenue	Unearned Income	Unbilled revenue	Unearned Income
Opening balance	**4,867.30**	**11.71**	**4,079.90**	**19.52**
Revenue recognized that was included in unearned income at the beginning of the year	-	(46.57)	-	(106.21)
Increase due to cash received, excluding amounts recognized as revenue during the year	-	37.94	-	98.40
Transfers from unbilled revenue, recognized at the beginning of the year, to receivables	(4,867.30)	-	(4,079.90)	-
Increase due to revenue recognized during the year, excluding amounts billed during the year	5,990.05	-	4,867.30	-
Closing balance	**5,990.05**	**3.08**	**4,867.30**	**11.71**

Cost to obtain or fulfil a contract with a customer

Particulars	March 31, 2023	March 31, 2022
Opening balance	**17.73**	**14.68**
Costs incurred and deferred	29.45	47.56
Less: Cost amortized	(41.64)	(44.51)
Closing balance	**5.54**	**17.73**

All amounts in ₹ Million, unless stated otherwise

24. Other income

Particulars	March 31, 2023	March 31, 2022
Interest income*	264.68	282.07
Total	**264.68**	**282.07**

Includes interest income on income tax refund.

25. Other gain/(loss)

Particulars	March 31, 2023	March 31, 2022
Net gain/(loss) on sale of property, plant and equipment*	38.64	14.24
Foreign exchange gain/(loss)	23.54	(26.95)
Net gain/(loss) on financial assets/liabilities mandatorily measured at FVTPL	-	257.36
Other items	0.56	0.07
Total	**62.74**	**244.72**

** Includes gain/(loss) on derecognition of right of use assets.*

26. Cost of materials consumed

Particulars	March 31, 2023	March 31, 2022
Purchases of chemicals, consumables, and others	506.88	330.28
Uniforms and related inventories	76.50	68.22
Total	**583.38**	**398.50**

27. Changes in inventory

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	340.25	308.93
Inventory transferred to property, plant and equipment	1.26	-
Inventory at the end of the year	314.28	340.25
Changes in inventory – (increase)/decrease	**24.71**	**(31.32)**

28. Employee benefits expense

(a) Employee benefits expense include

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus	82,076.17	69,688.46
Contribution to provident and other funds	7,984.10	6,737.41
Government grants (Note 22)	(3.13)	(23.58)
Employee share-based payment expense	135.54	202.48
Gratuity expense	421.14	317.99
Leave compensation	569.85	436.33
Staff welfare expenses	828.72	753.36
Total	**92,012.39**	**78,112.45**

(b) Unfunded Scheme – leave obligations

The below leave obligations cover liability for sick and earned leave in certain subsidiaries of the Group located in India.

The provision for leave obligations is presented as current, since the Group does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave within the next 12 months. The following amount reflects leave that is not expected to be taken within the next 12 months:

Particulars	March 31, 2023	March 31, 2022
Current leave obligation not expected to be settled within next 12 months	72.31	89.24

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

Unfunded Schemes:

Particulars	March 31, 2023	March 31, 2022
Present value of unfunded obligations	182.32	162.31
Expenses to be recognized in the statement of profit and loss	569.85	436.33
Discount rate (per annum)	7.20%	5.30%
Salary escalation rate (per annum)	8.00%	8.00%

The liability for earned and sick leave is recognized and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

(c) Defined contribution plans

The entities of the Group have certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of the salary (subject to a limit of ₹ 15,000 salary per month) as per regulations. For entities in India, the contributions are made to the statutory provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation in this regard.

Further contributions are made in respect of Employees' State Insurance Scheme, for specified employees, at the rate of 3.25% of the gross pay as per regulations. The contributions are towards medical benefits provided by the Government to the employees. The contributions are made to employees' state insurance authorities administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation in this regard.

In outside India, the entities of the Group provide post-employment benefits through accumulation fund and central provident fund. The entities of the Group pay a fixed contribution at the rate of 9.5% of the basic salary into employee nominated independent superannuation (annuity) funds in relation to several state plans and insurance for individual employees. The central provident fund is an employment-based savings scheme with employers and employees contributing a mandated amount to the Fund at the rate from 7.5% to 17%. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions.

Contributions to provident fund/ employees' state insurance/ superannuation funds are recognized as an expense as they become payable which coincides with the period during which relevant employee services are received. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Particulars	March 31, 2023	March 31, 2022
Expense recognized during the period towards defined contribution plans	7,984.10	6,737.41

(d) Defined benefits plans

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the entities of the Group provide for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the entities of the Group subject to completion of five years of service and other conditions. The gratuity plan is a partly funded plan for the Parent and certain subsidiaries in the Group, and those entities make contributions to Group's gratuity policies managed by insurance companies. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no foreign defined benefit plans. Certain entities of the Group have invested the plan assets in the insurer managed funds.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

Expenditure to be recognized during the year:

Particulars	March 31, 2023	March 31, 2022
Current service cost	348.84	270.81
Interest cost	72.30	47.18
Total amount recognized in profit or loss	**421.14**	**317.99**
Remeasurements		
Return on plan assets, excluding amounts included in interest income	(5.15)	11.62
Loss/(gain) from changes in financial assumptions	(126.93)	(2.43)
Loss/(gain) from changes in demographic assumptions	-	62.60
Experience loss/(gain)	8.20	11.22
Total loss/(gain) recognized in other comprehensive income	**(123.88)**	**83.01**

Change in present value of defined benefit obligation is summarized below:

Reconciliation of opening and closing balances of Defined Benefit Obligation	March 31, 2023	March 31, 2022
Defined benefit obligation at the beginning of year	**1,655.68**	**1,344.91**
Current service cost	348.84	270.81
Interest cost	76.40	52.21
Remeasurements	(118.73)	71.39
Benefits paid	(117.71)	(83.64)
Defined benefit obligation at the end of year	**1,844.48**	**1,655.68**

Reconciliation of fair value of plan assets:

Reconciliation of opening and closing balances of fair value of plan assets	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	**174.82**	**181.15**
Interest income	4.10	5.03
Remeasurements	5.15	(11.62)
Contribution by employer	118.86	83.90
Benefits paid	(117.71)	(83.64)
Fair value of plan assets at the closing of the year	**185.22**	**174.82**

Reconciliation of fair value of Assets and Obligations:

Reconciliation of fair value of assets and obligations	March 31, 2023	March 31, 2022
Fair value of plan assets	185.22	174.82
Present value of obligation	(1,844.48)	(1,655.68)
Asset/(liability) recognized in balance Sheet	**(1,659.26)**	**(1,480.86)**

The present value of defined benefit obligation relates to active employees only.

The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one-off contributions. The Group intends to continue to contribute to the defined benefit plans to achieve target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Group's plans are shown below:

Principal Assumptions:

Principal actuarial assumptions	March 31, 2023	March 31, 2022
Discount rate	7.20%	5.30%
Future salary increase		
– Non-billing/indirect employees	8.00%	8.00%
– Billing/direct employees	5.00-7.00%	5.00-7.00%
Attrition rate		
Billing employees		
– Age from 21-30 years	39-52%	39-52%
– 31-40	28-42%	28-42%
– 41-50	28-40%	28-40%
– 51 & above	28-43%	28-43%
Non-billing employees		
– Age from 21-30 years	24-27%	24-27%
– 31-40	16-21%	16-21%
– 41-50	12-24%	12-24%
– 51 & above	11-16%	11-16%

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	March 31, 2023	March 31, 2022
Discount rate		
0.5% increase	(1.90%)	(1.88%)
0.5% decrease	1.98%	1.96%
Future salary increases		
0.5% increase	1.92%	1.86%
0.5% decrease	(1.86%)	(1.80%)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment and regulatory changes.

The Parent and certain entities of the Group have selected a suitable insurers to manage the funds in such a manner as to ensure that the investment positions are managed with an asset-liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The insurers, on behalf of the entities of the Group, actively monitor how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The entities of the Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

Defined benefit liability and employer contributions

The weighted average duration of the post-employment benefit plan obligations and expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	March 31, 2023	March 31, 2022
The weighted average duration of the post-employment benefit plan obligations (in years)	3.38	3.63
Expected contribution to the fund during the next year	271.52	229.96

Maturity profile:	March 31, 2023	March 31, 2022
Less than a year	543.83	430.52
Between 1-2 years	417.31	351.77
Between 2-5 years	800.62	689.26
Over 5 years	684.01	598.24
Total	**2,445.77**	**2,069.79**

(e) The Code on Wages, 2019 and the Code on Social Security, 2020 have been notified through Gazette of India after assent of Hon'ble President of India which govern, and are likely to impact, the contributions by the Group towards certain employee's benefits. Notification of rules of these codes are pending. The effective date of implementation of these Codes has not yet been notified and the Group will assess the impact of these codes as and when they come into effect and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective.

(f) Share-based payments

The Parent has two Employee Stock Option plans namely ESOP 2008 and ESOP 2016.

ESOP 2008 (pre share sub-division effect)

(a) Under ESOP 2008, the Parent has granted 59,000 options, 30,000 Options, 30,500 Options, 3,500 options and 2,096 options in the financial year ended 2008, 2011, 2014, 2015 and 2016, respectively. All such granted options have been either exercised or lapsed in accordance with the terms of the respective plan.

(b) All options under ESOP 2008 will now be governed by the terms of ESOP 2016 except in respect of vesting and exercise which will still be governed by the terms mentioned in the respective grant letters.

(c) The Options issued under ESOP 2008 will be adjusted for the bonus issue of ten equity shares for every equity share held as on September 20, 2016, as and when such options are exercised.

ESOP 2016 (post share sub-division effect)

(a) Under ESOP 2016, the Parent has granted 2,432,000 options, 64,830 options, 21,000 options in the financial year 2016, 2018 and 2019, respectively. All such options granted, have been either exercised or lapsed in accordance with the terms of the respective plan as on March 31, 2023.

(b) During the year ended March 31, 2022, the Parent issued a further 1,421,973 options to eligible employees which will vest over next four financial years and be eligible for exercise, subject to certain conditions, after June 01, 2025. Out of such options:

   i. 116,486 options have been forfeited/lapsed till March 31, 2023.

   ii. 11,199 options have been exercised up till March 31, 2023.

   iii. 258,858 options have been vested and not exercised/exercisable as on March 31, 2023.

(c) During the year ended March 31, 2023, the Parent issued a further 35,700 options to eligible employees which will vest over next three financial years and be eligible for exercise, subject to certain conditions, after June 01, 2025. Out of such options:

   i. 1,800 options have been forfeited/lapsed on account of the respective employees no longer in employment.

   ii. No options have been vested and not exercised/exercisable as on March 31, 2023.

Options granted under the aforesaid plans carry no dividend or voting rights.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

Movements during the year (post share sub-division effect)

Year ended March 31, 2022

Particulars	ESOP 2016					Total
	ESOPs granted in					
	2016-17	2017-18	2018-19	2021-22	2022-23	
Outstanding stock options as on April 01, 2021	**673,864**	**19,470**	**3,000**	**-**	**-**	**696,334**
Exercise price	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-
Options granted during the year	-	-	-	1,421,973	-	1,421,973
Options exercised during the year*	537,340	5,790	3,000	1,343	-	547,473
Options forfeited/lapsed during the year	5,480	-	-	60,514	-	65,994
Outstanding stock options as at March 31, 2022	**131,044**	**13,680**	**-**	**1,360,116**	**-**	**1,504,840**
Exercisable stock options as at March 31, 2022	**131,044**	**13,680**	**-**	**100**	**-**	**144,824**

Year ended March 31, 2023

Particulars	ESOP 2016					Total
	ESOPs granted in					
	2016-17	2017-18	2018-19	2021-22	2022-23	
Outstanding stock options as on April 01, 2022	**131,044**	**13,680**	**-**	**1,360,116**	**-**	**1,504,840**
Exercise price	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-	₹ 5/-
Options granted during the year	-	-	-	-	35,700	35,700
Options exercised during the year*	129,400	13,680	-	9,856	-	152,936
Options forfeited/lapsed during the year	1,644	-	-	55,972	1,800	59,416
Outstanding stock options as at March 31, 2023	**-**	**-**	**-**	**1,294,288**	**33,900**	**1,328,188**
Exercisable stock options as at March 31, 2023	**-**	**-**	**-**	**-**	**-**	**-**

* *The weighted average share price at the date of exercise of options during the year ended March 31, 2023 was ₹ 458.09 (March 31, 2022: ₹ 422.40).*

There were no cancellations or modifications to the awards in March 31, 2023 or March 31, 2022.

Stock options outstanding at the end of the year have the following details (post share sub-division effect):

Grant	Tranche	Grant date	Vesting date	Expiry date	Exercise price (₹) @	Fair value (₹)	Stock options outstanding March 31, 2023	Stock options outstanding March 31, 2022
Plan II (ESOP 2016): Grant I	I	01-Aug-16	01-Aug-17	01-Aug-22	5.00	95.41	-	4,078
Plan II (ESOP 2016): Grant I	II	01-Aug-16	01-Aug-18	01-Aug-22	5.00	95.41	-	8,156
Plan II (ESOP 2016): Grant I	III	01-Aug-16	01-Aug-19	01-Aug-22	5.00	95.41	-	19,356
Plan II (ESOP 2016): Grant I	IV	01-Aug-16	01-Aug-20	01-Aug-22	5.00	95.41	-	99,454
Plan II (ESOP 2016): Grant II	I	03-Jan-18	03-Jan-19	01-Aug-22	5.00	561.09	-	4,104
Plan II (ESOP 2016): Grant II	II	03-Jan-18	03-Jan-20	01-Aug-22	5.00	561.09	-	4,104
Plan II (ESOP 2016): Grant II	III	03-Jan-18	01-Aug-20	01-Aug-22	5.00	561.09	-	5,472
Plan II (ESOP 2016): Grant V	I	20-Apr-21	01-Jun-22	01-Jun-27	5.00	357.19	258,858	272,023
Plan II (ESOP 2016): Grant V	II	20-Apr-21	01-Jun-23	01-Jun-27	5.00	357.19	258,858	272,023
Plan II (ESOP 2016): Grant V	III	20-Apr-21	01-Jun-24	01-Jun-27	5.00	357.19	388,286	408,035
Plan II (ESOP 2016): Grant V	IV	20-Apr-21	01-Jun-25	01-Jun-27	5.00	357.19	388,286	408,035
Plan II (ESOP 2016): Grant V	I	20-Oct-22	21-Oct-23	01-Jun-27	5.00	411.65	11,299	-
Plan II (ESOP 2016): Grant V	II	20-Oct-22	01-Jun-24	01-Jun-27	5.00	411.65	11,299	-
Plan II (ESOP 2016): Grant V	III	20-Oct-22	01-Jun-25	01-Jun-27	5.00	411.65	11,302	-
Total							**1,328,188**	**1,504,840**

@ *For pre-bonus issue options, additional shares on account of bonus adjustment are issued without cost to the employee.*

All amounts in ₹ Million, unless stated otherwise

28. Employee benefits expense (Contd.)

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the market price being the latest available closing price prior to the date of the grant and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option as detailed below:

Grant date	Volatility	Market price (₹) *	Average life of the options (in Years)	Risk-free interest rate	Dividend yield
01-Aug-16	29.18%	107.96	5.00	7.10%	1.75%
03-Jan-18	30.94%	568.93	2.58	6.91%	0.25%
20-Apr-21	46.02%	360.95	5.12	5.55%	0.00%
20-Oct-22	39.02%	415.60	3.62	7.39%	0.00%

** Post bonus adjustment of ten equity shares for every one equity share held, wherever required.*

In respect of options granted by the Parent prior to listing of its shares on stock exchanges, the market value of shares was determined on the basis of valuation carried out by a SEBI registered merchant banker. The valuation was carried out using a combination of Market Approach (by using market multiples of comparable listed companies) and Cost Approach.

Total expenses arising from share-based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2023	March 31, 2022
Employee stock option plan	135.54	202.48
Total employee share-based payment expense	**135.54**	**202.48**

29. Finance costs

Particulars	March 31, 2023	March 31, 2022
Interest expenses	1,006.63	832.33
Interest on lease liability	114.12	105.63
Other finance costs*	28.16	45.71
Total	**1,148.91**	**983.67**

* *Includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges, other ancillary costs incurred in connection with borrowings other than finance costs that do not meet the definition of transaction costs.*

30. Depreciation and amortization expenses

Particulars	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (Note 4)	1,113.92	868.78
Amortization of intangible assets (Note 5)	232.89	246.73
Total	**1,346.81**	**1,115.51**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

31. Other expenses

Particulars	March 31, 2023	March 31, 2022
Training expenses	223.84	140.37
Uniform and kit items	190.43	215.40
Selling expenses	150.77	87.62
Administrative expenses:		
Travelling and conveyance	1,012.88	648.01
Postage and telephone	291.18	297.15
Rent*	553.24	378.72
Rates & taxes	82.56	100.90
Insurance	299.13	222.88
Repairs and maintenance:		
- Buildings	17.87	12.27
- Machinery	98.06	64.42
- Others	150.70	77.15
Vehicle hire charges	160.05	125.19
Payments to auditors	46.42	46.01
Legal and professional fees	571.31	517.72
Allowance for expected credit loss	269.31	195.67
Expense towards corporate social responsibility	25.23	20.72
Other direct operating cost	10,699.98	13,042.77
Other administration and general expenses	618.52	504.14
Total	**15,461.48**	**16,697.11**

** Rent expenses are pertaining to short-term leases and low value assets.*

32. Earnings per share (EPS)

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Particulars	March 31, 2023	March 31, 2022
Profit attributable to equity holders of the Parent:		
Continuing operations	3,463.89	3,250.69
Profit attributable to equity holders of the Parent for basic earnings	**3,463.89**	**3,250.69**
Profit attributable to equity holders of the Parent adjusted for the effect of dilution	**3,463.89**	**3,250.69**
Weighted average number of equity shares for basic EPS (Numbers)	146,537,510	147,150,940
Effect of dilution:		
Stock options (Numbers)	1,312,489	1,488,450
Weighted average number of Equity shares adjusted for the effect of dilution	**147,849,999**	**148,639,390**
Nominal value of equity shares (₹)	5.00	5.00
Earnings per share		
– Basic (₹)	23.64	22.09
– Diluted (₹)	23.43	21.87

33. Distributions made and proposed

Particulars	March 31, 2023	March 31, 2022
Cash dividends on Equity shares declared and paid:		
Final dividend @ ₹ Nil per share (March 31, 2022: ₹ Nil per share)	-	-
Dividend distribution tax on proposed dividend	-	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability (including DDT thereon) as at the reporting date.

All amounts in ₹ Million, unless stated otherwise

34. Commitments and contingencies

(a) Capital commitment

Particulars	March 31, 2023	March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	7.31	20.14

(b) Commitment towards forward contract/put and call option to purchase non-controlling interests

Particulars	March 31, 2023	March 31, 2022
Sentry Security	0.83	-
Fortitude Security	1.65	-
Security One	2.03	-
Safety Direct Solutions Pty. Ltd.	50.65	-
Total	**55.16**	**-**

(c) Contingent liabilities

Particulars	March 31, 2023	March 31, 2022
Claims against the Group not acknowledged as debt:		
– Litigation matters with respect to direct taxes	592.33	240.06
– Litigation matters with respect indirect taxes	152.68	136.97
Other money for which the Group is contingently liable	69.27	67.32
Total	**814.28**	**444.35**

The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Group reviews these provisions periodically and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Group believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Group, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2023.

Disputed claims against the Group, including claims raised by the tax authorities (e.g., Service tax) and which are pending in appeal/court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes.

35. Events occurring after the Balance Sheet date

There were no significant events that occurred after the Balance Sheet date.

36. Segment information

The Group is currently focused on three business groups: 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 ("CODM").

The Group operates primarily in 4 geographies, viz., India, Australia, Singapore and New Zealand. Outside India, the Group's business consists only of Manned Guarding and the risk and returns are similar to the business and geography in which they operate, hence segment results of these geographies are presented as International segment. Given the risks and returns of each business and geography in India and outside India in which they operate are different, the segment results of the Group are presented geographically for each the Group's business across India and International to enable better appreciation of the risks and returns of the Group across its various businesses and geographies in which they operate.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

36. Segment information (Contd.)

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
- Facility Management – Housekeeping, Cleaning, Facility operation & management and Pest control services

Particulars	March 31, 2023			March 31, 2022		
	External	Inter-segment	Total	External	Inter-segment	Total
Revenue						
Security services – India	45,876.26	384.77	46,261.03	38,358.08	211.17	38,569.25
Security services – International	48,759.17	-	48,759.17	48,405.23	-	48,405.23
Facility Management	18,822.37	175.91	18,998.28	13,827.45	119.41	13,946.86
	113,457.80	**560.68**	**114,018.48**	**100,590.76**	**330.58**	**100,921.34**
Inter.co/inter-segment elimination			(560.68)			(330.58)
			113,457.80			**100,590.76**
Earning before interest, tax, depreciation and amortization (EBITDA)*						
Security services – India	1,935.37	183.50	2,118.87	1,574.28	82.22	1,656.50
Security services – International	1,980.09	-	1,980.09	2,691.69	-	2,691.69
Facility Management	1,004.86	(187.04)	817.82	722.32	(86.69)	635.63
	4,920.32	**(3.54)**	**4,916.78**	**4,988.29**	**(4.47)**	**4,983.82**
Inter.co/inter-segment elimination			(1.51)			1.17
			4,915.27			**4,984.99**
Finance costs			(1,148.51)			(983.67)
Depreciation and amortization			(1,271.37)			(1,007.41)
Other income and gains			327.42			276.67
Share of profit/(loss) from associates/joint ventures			102.13			26.01
Profit before tax reported to CODM			**2,924.94**			**3,296.59**
Exceptional items			-			-
Other gains/(losses) and effect of entries resulting from consolidation and business combination accounting			(75.84)			142.02
Profit before tax			**2,849.10**			**3,438.61**
Other information						
Trade receivables			16,777.06			13,912.96
Gross debt			16,474.93			14,508.13
Net debt			8,615.77			6,867.56
Capital expenditure			1,567.67			1,052.24

**Excluding other income and other gain/(loss).*

The total of non-current assets other than financial instruments and deferred tax assets by geographical location:

Particulars	March 31, 2023	March 31, 2022
India	8,047.95	7,767.33
International	11,663.61	11,319.74
Total	**19,711.56**	**19,087.07**

All amounts in ₹ Million, unless stated otherwise

37. Business combinations and acquisition of non-controlling interests

I. Acquisition of Safety Direct Solutions Pty. Ltd. ('SDS')

On September 01, 2022, SIS Australia Group Pty. Limited, a subsidiary of the Group acquired 85% of the voting shares of Safety Direct Solutions Pty. Limited (SDS), a non-listed company based in Australia and New Zealand specializing in providing critical risk, medical, training and security services to a diversified portfolio of customers comprising the defense, mining and resource sectors for cash consideration of ₹ 270.50 Million (AUD 4.95 Million). The Group acquired SDS because of the continue building along with SMR the largest Paramedic business in Australia, and to increase the SIS Group's overall margin profile. The Group has put/call options to buy the remaining 15% of the shares of SDS on or before June 30, 2024.

Details of the net assets acquired and purchase consideration as follows:

Particulars	SDS
Assets	
Property, plant and equipment	181.53
Cash and cash equivalents	5.99
Trade and other receivables	174.54
Deferred tax assets	31.83
Current Tax assets	12.42
Other assets	96.43
Total Assets (A)	**502.74**
Liabilities	
Trade and other payables	13.86
Borrowings	76.32
Provisions	46.78
Other Liabilities	204.83
Total liabilities (B)	**341.79**
Total identifiable net assets at fair value (A-B)	**160.95**
Goodwill arising on acquisition	11.94
Acquired contracts on acquisition	148.74
Purchase consideration transferred	**321.63**

Purchase consideration – cash outflow

Purchase Consideration	SDS
Amount settled in cash	270.50
Contingent consideration payable	51.13
Total consideration	**321.63**

Transaction costs of ₹ 9.90 Million have been expensed and are included in other expenses.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

37. Business combinations and acquisition of non-controlling interests (Contd.)

II. Asset Acquisition of Sentry Security, Fortitude Security, Protection Plus Security and Security One

During the year ended March 31, 2023, the Group acquired the assets of the following entities through its subsidiaries as below:

Particulars (amounts in ₹)	Sentry Security	Fortitude Security	Protection Plus Security	Security One
Acquiring entity	Southern Cross Protection	Southern Cross Protection	Southern Cross Protection	Platform 4 Group
Effective date of acquisition	December 20, 2022	February 01, 2023	September 29, 2022	August 15, 2022
Nature of business	Patrols	Patrols	Cash-in transit	Monitoring
Fair value of consideration transferred				
Amount settled in cash	2.50	6.80	10.74	20.57
Deferred consideration	0.84	1.70	-	2.05
Total fair value of consideration	**3.34**	**8.50**	**10.74**	**22.62**
Identifiable net assets				
Property, plant and equipment	-	-	10.15	-
Employee entitlements	-	-	(4.45)	-
Lease liabilities	-	-	(9.14)	-
Customer contracts	4.77	12.14	1.97	31.38
Deferred Tax liability on above	(1.43)	(3.64)	(0.59)	(8.76)
Identifiable net assets	**3.34**	**8.50**	**(2.06)**	**22.62**
Goodwill on purchase	**-**	**-**	**12.80**	**-**

III. Acquisition of Terminix SIS India Private Limited ('Terminix')

During the year ended March 31, 2023, the Parent acquired the entire remaining shareholding of 49.99% in Terminix, a subsidiary of the Parent, for an aggregate consideration of ₹ 7.77 Million which resulted in Terminix becoming a wholly-owned subsidiary of the Parent.

IV. Acquisition of Uniq Security Solutions Private Limited ('Uniq')

Effective February 01, 2019, the Parent acquired 51% of the outstanding equity shares of Uniq for an aggregate consideration of ₹ 515.00 Million. In addition, the share purchase agreement provides for acquisition of 100% of the outstanding equity shares, by September 2020, in one or more tranches, and at a price to be determined according to a pre-agreed valuation formula.

During the year ended March 31, 2022, the Parent acquired entire remaining shareholding of 49% in Uniq, subsidiary of the Parent, for an aggregate consideration of ₹ 510 Million which resulted in Uniq becoming a wholly-owned subsidiary of the Parent.

V. Acquisition of SIS Henderson Holdings Pte. Ltd. ('SISHH')

On February 28, 2019, SIS International Group Holdings Pty. Limited, a subsidiary of the Group, acquired 60% of the voting shares of Henderson Group, consisting of SIS Henderson Holdings Pte. Limited (SISHH) and its 100% owned subsidiaries, a non-listed company based in Singapore and specializing in physical security and mobile patrols, in exchange for a cash consideration of ₹ 2,205.82 Million (AUD 44.9 Million). The Group acquired SISHH because it provides a new market in which to provide security services.

During the year ended March 31, 2022, SIS International Group Holdings Pty. Limited, a subsidiary of the Group, acquired entire remaining shareholding of 40% in SIS Henderson Holdings Pte. Ltd., Singapore, an indirect subsidiary of the Parent, for an aggregate consideration of ₹ 1,260.8 Million (AUD 22.25 Million) which resulted in SISHH and its subsidiaries becoming a wholly-owned subsidiary of the Parent.

All amounts in ₹ Million, unless stated otherwise

37. Business combinations and acquisition of non-controlling interests (Contd.)

VI. Acquisition of Platform 4 Group Ltd. ('P4G')

On February 28, 2019, SIS Australia Group Pty. Limited, a subsidiary of the Group, acquired 51% of the voting shares of Platform 4 Group Limited (P4G), a non-listed company based in New Zealand and specializing in physical security and mobile patrols, in exchange for cash consideration of ₹ 48.00 Mn (AUD 1 Million). In addition to the cash consideration SIS Australia Group Pty. Ltd. injected ₹ 16.00 Million (AUD 0.35 Million) in working capital by way of subscription for fresh equity shares issued to it. The Group acquired P4G because it provides a new market in which to provide security services.

During the year ended March 31, 2022, SIS Australia Group Pty. Limited, a subsidiary of the Group, acquired entire remaining shareholding of 49% in Platform 4 Group Ltd., New Zealand, an indirect subsidiary of the Parent, for an aggregate consideration of ₹ 275.55 Million (NZD 5.38 Million) which resulted in P4G and its subsidiaries becoming a wholly-owned subsidiary of the Parent.

VII. Acquisition of Protection Plus Security and Protective Services Limited

On February 01, 2022, Southern Cross Protection Pty. Ltd., a subsidiary of the Group acquired the business assets of Protection Plus Security, which is a leading locally owned and operated security company based in the region with branches in Townsville & Cairns, as well as servicing all of North Queensland region. The Company provides mobile patrols, static guards, alarm response, cash collection and banking services, armed guards, ATM first- and second-line response. The acquisition was made to enhance the Group's footprint in the region.

On June 14, 2021, Platform 4 Group Ltd., a subsidiary of the Group acquired the business assets of Protective Services Limited as a going concern. The acquisition was made to enhance the Group's footprint in the lower north island region of New Zealand.

Purchase consideration:

Purchase consideration	PPS	PSL
Cash paid for acquisition of shares	66.02	4.21
Deferred consideration	13.15	-
Total consideration	**79.17**	**4.21**

Net assets acquired:

The fair values of the identifiable assets and assumed liabilities as at the date of acquisition were:

Particulars	PPS	PSL
Assets		
Property, plant and equipment	15.20	0.47
Trade and other receivables	0.39	-
Acquired Contracts	47.29	4.09
Less: Liabilities		
Trade and other payables	20.97	-
Deferred tax liabilities	13.83	1.14
Total identifiable net assets at fair value	**28.08**	**3.42**

Calculation of goodwill:

Particulars	PPS	PSL
Total consideration	79.17	4.21
Less: Net identifiable assets acquired	28.08	3.42
Goodwill	**51.09**	**0.79**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

37. Business combinations and acquisition of non-controlling interests (Contd.)

VIII. Acquisition of additional interest in SLV Security Services Private Limited ('SLV')

Effective September 01, 2018, the Parent acquired 51% of the outstanding equity shares of SLV Security Services Private Limited for an aggregate consideration of ₹ 505 Million.

On February 10, 2020, the Parent acquired an additional 39.01% out of the outstanding equity shares of SLV, increasing its ownership interest to 90.01%. An interim cash consideration of ₹ 254.00 Million was paid to the non-controlling shareholders in terms of the agreement entered into at the time of initial acquisition of controlling interest in that company.

During the year ended March 31, 2021, the Parent 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.

Assets and Liabilities classified as held for distribution to shareholders of subsidiary

As per the Shareholders' Agreement between SIS and the existing shareholders of SLV, the Training Center business will be transferred from the SLV to a separate legal entity (owned and controlled by Promoters), by way of slump sale under a business transfer agreement. The assets and liabilities mentioned in below table represent assets and liability in the training center business:

Particulars	March 31, 2023	March 31, 2022
Assets:		
Advance to Suppliers	0.60	0.60
Other	1.62	1.62
Total assets classified as held for distribution to shareholders of subsidiary	**2.22**	**2.22**
Liabilities:		
Trade payable	1.15	1.15
Other	1.67	1.67
Total liabilities classified as held for distribution to shareholders of subsidiary	**2.82**	**2.82**

38. Group information

Information about subsidiaries

The subsidiaries (which along with SIS Limited, the Parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are:

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1. Service Master Clean Limited *	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
2. Tech SIS Limited	India	Trading and installation of electronic security devices and systems	100.00%	100.00%	0.00%	0.00%
3. Terminix SIS India Private Limited	India	Pest Control Management Services	100.00%	50.01%	0.00%	49.99%
4. Dusters Total Solutions Services Private Limited	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
5. SIS Business Support Services and Solutions Private Limited	India	Rendering business support services including guarding, parking services, pest control services	100.00%	100.00%	0.00%	0.00%
6. SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)	India	Rendering security and related services in areas of manned guarding	100.00%	100.00%	0.00%	0.00%
7. SLV Security Services Private Limited	India	Providing manned guarding, facilities management and business process outsourcing.	100.00%	[$]	0.00%	[$]

All amounts in ₹ Million, unless stated otherwise

38. Group information (Contd.)

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
8. Rare Hospitality and Services Private Limited	India	Providing facility management services.	100.00%	100.00%	0.00%	0.00%
9. Uniq Security Solutions Private Limited	India	Providing Security Services.	100.00%	100.00%	0.00%	0.00%
10. Uniq Detective and Security Services (AP) Pvt. Ltd. **	India	Providing Security Services.	100.00%	100.00%	0.00%	0.00%
11. Uniq Detective and Security Services (Tamilnadu) Private Limited **	India	Providing Security Services.	100.00%	100.00%	0.00%	0.00%
12. Uniq Facility Services Private Limited**	India	Providing facility management services.	100.00%	100.00%	0.00%	0.00%
13. SIS Alarm Monitoring and Response Services Private Limited	India	Alarm Monitoring and Response Services	100.00%	100.00%	0.00%	0.00%
14. ADIS Enterprises Private Limited	India	Providing facility management services	100.00%	100.00%	0.00%	0.00%
15. ONE SIS Solutions Private Limited	India	Providing Security Services, facility management, pest control, alarm monitoring and response services	100.00%	100.00%	0.00%	0.00%
16. SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited)	Singapore[$$]	Holding company for international operations	100.00%	100.00%	0.00%	0.00%
17. SIS Security Asia Pacific Holdings Pte. Limited (formerly known as SIS Asia Pacific Holdings Limited)	Singapore[$$]	Holding company for international operations	100.00%	100.00%	0.00%	0.00%
18. SIS Australia Holdings Pty. Ltd.	Australia	Holding company for Australia	100.00%	100.00%	0.00%	0.00%
19. SIS Australia Group Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
20. SIS Group International Holdings Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
21. MSS Strategic Medical and Rescue Pty. Ltd.	Australia	Provision of paramedic and emergency response services	100.00%	100.00%	0.00%	0.00%
22. SIS MSS Security Holdings Pty. Ltd.	Australia	Holding company	100.00%	100.00%	0.00%	0.00%
23. MSS Security Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	100.00%	100.00%	0.00%	0.00%
24. Australian Security Connections Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	100.00%	100.00%	0.00%	0.00%
25. MSS AJG Pty. Ltd. [#]	Australia	Provision of services relating to all aspects of physical security	0.00%	100.00%	0.00%	0.00%
26. Southern Cross Protection Pty. Ltd.	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
27. Askara Pty. Ltd. ***	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
28. Charter Security Protective Services Pty. Ltd. ***	Australia	Loss prevention, asset protection and security services	100.00%	100.00%	0.00%	0.00%
29. Platform 4 Group Limited	New Zealand	Guard services, patrols and monitoring services and event services	100.00%	100.00%	0.00%	0.00%
30. Triton Security Services Limited	New Zealand	Alarm Monitoring and Response Services	100.00%	100.00%	0.00%	0.00%
31. The Alarm Center Limited [#]	New Zealand	Alarm Monitoring and Response Services	0.00%	100.00%	0.00%	0.00%
32. SIS Henderson Holdings Pte. Ltd.	Singapore	Holding company	100.00%	100.00%	0.00%	0.00%
33. Henderson Security Services Pte. Ltd.	Singapore	Manned Guarding Services	100.00%	100.00%	0.00%	0.00%
34. Henderson Technologies Pte. Ltd.	Singapore	Building a building mechanical & electrical services	100.00%	100.00%	0.00%	0.00%

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

38. Group information (Contd.)

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
35. Safety Direct Solutions Pty. Ltd.	Australia	Provision of emergency services personnel, industrial safety, fire rescue and medical training	85.00%	0.00%	15.00%	0.00%
36. Safety Direct Solutions Pty. Ltd. NZ	New Zealand	Provision of emergency services personnel, industrial safety, fire rescue and medical training	85.00%	0.00%	15.00%	0.00%

* *41% ownership interest is held through SIS Group International Holdings Pty. Ltd., Australia, a step-down subsidiary of the Parent.*

** *Wholly-owned subsidiaries of Uniq Security Solutions Private Limited.*

*** *Wholly-owned subsidiaries of Southern Cross Protection Pty. Limited.*

\# *Companies were deregistered during the financial year ended March 31, 2023.*

$ *During the year ended March 31, 2021, the Parent 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.*

$$ *The place of business for SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited) and SIS Security Asia Pacific Holdings Pte. Limited (formerly known as SIS Asia Pacific Holdings Limited) has been changed from British Virgin Islands (BVI) and Malta, respectively during the year ended March 31, 2022.*

Joint ventures in which the Group is a joint venturer

The joint ventures considered in the preparation of these Consolidated financial statements are:

Name	Principal place of business and country of incorporation	Principal activities	Ownership interest held by the Group	
			March 31, 2023	March 31, 2022
1. SIS Cash Services Private Limited	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
2. SIS Prosegur Holdings Private Limited *	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
3. SIS Prosegur Cash Logistics Private Limited **	India	Cash-in-transit, ATM cash replenishment activities and secure transportation of precious items and bullion	49.00%	49.00%
4. Habitat Security Pty. Ltd.	Australia	Provision of services relating to all aspects of physical security	49.00%	49.00%

* *Wholly-owned subsidiary of SIS Cash Services Private Limited.*

** *Wholly-owned subsidiary of SIS Prosegur Holdings Private Limited.*

All amounts in ₹ Million, unless stated otherwise

38. Group information (Contd.)

Additional information under General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name	Net assets i.e., total assets minus total liabilities		Share in profit/(loss) for the year ('PAT')		Share in other comprehensive income/ (loss) for the year ('OCI')		Share in total comprehensive income/ (loss) for the year ('TCI')	
	As a % of consolidated net assets	Amount (₹ Million)	As a % of consolidated PAT	Amount (₹ Million)	As a % of consolidated OCI	Amount (₹ Million)	As a % of TCI	Amount (₹ Million)
Parent								
1. SIS Limited	40.6%	9,466.52	54.9%	1,901.30	(1054.3%)	65.79	56.9%	1,967.09
Subsidiaries - Indian								
2. Service Master Clean Limited	7.7%	1,793.94	9.5%	330.21	(47.3%)	2.95	9.6%	333.16
3. Tech SIS Limited	0.0%	7.99	(0.6%)	(19.69)	(5.9%)	0.37	(0.6%)	(19.32)
4. Terminix SIS India Private Limited	0.3%	66.78	0.2%	5.28	(4.5%)	0.28	0.2%	5.56
5. Dusters Total Solutions Services Private Limited	11.5%	2,680.34	15.9%	550.89	(43.6%)	2.72	16.0%	553.61
6. SIS Business Support Services and Solutions Private Limited	0.0%	1.07	0.0%	0.96	0.0%	-	0.0%	0.96
7. SIS Synergistic Adjacencies Ventures Private Limited (formerly known as SISCO Security Services Private Limited)	0.0%	0.15	0.0%	0.01	0.0%	-	0.0%	0.01
8. SLV Security Services Private Limited	0.5%	121.58	4.4%	154.18	(196.8%)	12.28	4.8%	166.46
9. Rare Hospitality and Services Private Limited	0.6%	145.54	0.9%	29.90	(59.5%)	3.71	1.0%	33.61
10. Uniq Security Solutions Private Limited	3.4%	790.27	3.5%	121.55	(47.9%)	2.99	3.6%	124.54
11. Uniq Detective and Security Services (AP) Pvt. Ltd.	0.0%	6.33	0.1%	3.08	(8.8%)	0.55	0.1%	3.63
12. Uniq Detective and Security Services (Tamilnadu) Private Limited	(0.0%)	(2.11)	(0.0%)	(0.74)	(3.2%)	0.20	(0.0%)	(0.54)
13. Uniq Facility Services Private Limited	0.1%	13.94	0.2%	7.93	13.8%	(0.86)	0.2%	7.07
14. SIS Alarm Monitoring and Response Services Private Limited	(0.0%)	(1.87)	(0.6%)	(19.25)	(10.4%)	0.65	(0.5%)	(18.60)
15. Adis Enterprises Private Limited	0.0%	11.40	0.0%	1.64	(17.5%)	1.09	0.1%	2.73
16. One SIS Solutions Private Limited	0.0%	4.17	(0.2%)	(5.72)	0.0%	-	(0.2%)	(5.72)
Subsidiaries – Foreign								
17. SIS Security International Holdings Pte. Ltd. (formerly known as SIS International Holdings Limited)	0.9%	220.18	15.1%	522.52	0.0%	-	15.1%	522.52
18. SIS Security Asia Pacific Holdings Pte. Limited (formerly known as SIS Asia Pacific Holdings Limited)	0.9%	220.24	15.1%	522.52	0.0%	-	15.1%	522.52
19. SIS Australia Holdings Pty. Ltd.	1.4%	320.01	15.8%	548.29	0.0%	-	15.9%	548.29
20. SIS Australia Group Pty. Ltd.	8.5%	1,987.05	23.1%	801.58	0.0%	-	23.2%	801.58
21. SIS Group International Holdings Pty. Ltd.	(4.1%)	(954.54)	4.0%	137.53	0.0%	-	4.0%	137.53
22. MSS Strategic Medical and Rescue Pty. Ltd.	0.8%	191.63	0.2%	6.40	0.0%	-	0.2%	6.40
23. SIS MSS Security Holdings Pty. Ltd.	6.3%	1,464.27	25.6%	886.57	0.0%	-	25.6%	886.57
24. MSS Security Pty. Ltd.	34.5%	8,040.84	26.2%	906.56	0.0%	-	26.2%	906.56
25. Australian Security Connections Pty. Ltd.	0.0%	0.55	0.0%	-	0.0%	-	0.0%	-

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

38. Group information (Contd.)

Name	Net assets i.e., total assets minus total liabilities		Share in profit/(loss) for the year ('PAT')		Share in other comprehensive income/(loss) for the year ('OCI')		Share in total comprehensive income/(loss) for the year ('TCI')	
	As a % of consolidated net assets	Amount (₹ Million)	As a % of consolidated PAT	Amount (₹ Million)	As a % of consolidated OCI	Amount (₹ Million)	As a % of TCI	Amount (₹ Million)
26. MSS AJG Pty. Ltd.	0.0%	-	0.0%	-	0.0%	-	0.0%	-
27. Southern Cross Protection Pty. Ltd.	7.3%	1,706.39	7.3%	252.17	0.0%	-	7.3%	252.17
28. Askara Pty. Ltd.	(0.1%)	(21.87)	(0.6%)	(20.64)	0.0%	-	(0.6%)	(20.64)
29. Charter Security Protective Services Pty. Ltd.	0.9%	203.21	(0.5%)	(15.84)	0.0%	-	(0.5%)	(15.84)
30. Platform 4 Group Limited	0.4%	97.13	(0.7%)	(25.78)	0.0%	-	(0.7%)	(25.78)
31. Triton Security Services Limited	0.8%	185.36	0.8%	28.81	0.0%	-	0.8%	28.81
32. The Alarm Center Limited	0.0%	-	0.0%	-	0.0%	-	0.0%	-
33. SIS Henderson Holdings Pte. Ltd.	11.8%	2,752.06	0.3%	12.06	0.0%	-	0.3%	12.06
34. Henderson Security Services Pte. Ltd.	1.1%	249.26	(4.1%)	(142.50)	0.0%	-	(4.1%)	(142.50)
35. Henderson Technologies Pte. Ltd.	0.2%	52.19	0.3%	9.93	0.0%	-	0.3%	9.93
36. Safety Direct Solutions Pty. Ltd.	0.7%	163.76	(0.2%)	(7.71)	0.0%	-	(0.2%)	(7.71)
37. Safety Direct Solutions Pty. Ltd. NZ	0.0%	10.37	0.2%	6.84	0.0%	-	0.2%	6.84
Joint ventures – Indian								
1. SIS Cash Services Private Limited	3.5%	815.20	2.3%	79.75	(12.1%)	0.75	2.3%	80.51
2. SIS Prosegur Holdings Private Limited	2.6%	613.36	0.3%	11.18	(24.4%)	1.52	0.4%	12.71
3. SIS Prosegur Cash Logistics Private Limited	1.3%	292.20	0.2%	8.07	(4.7%)	0.29	0.2%	8.37
Joint ventures – Foreign								
4. Habitat Security Pty. Ltd.	0.0%	4.83	0.1%	3.13	0.0%	-	0.1%	3.13
Others								
Adjustments arising out of consolidation/translation adjustments		(10,386.79)		(4,129.08)		(101.53)		(4,230.62)
Non-controlling interests		-		1.13		-		1.13
Total		**23,332.93**		**3,465.02**		**(6.24)**		**3,458.78**

All amounts in ₹ Million, unless stated otherwise

39. Interests in other entities

(a) Non-controlling interests (NCI)

Particulars	March 31, 2023	March 31, 2022
Share capital/investment	-	112.48
Other equity	-	(81.87)
Total non-controlling interests	**-**	**30.61**

Refer note 37.

(b) Interest in joint ventures

Joint ventures

The Group holds 49% interest in SIS Cash Services Pvt. Ltd., SIS Prosegur Cash Logistics Pvt. Ltd., SIS Prosegur Holdings Pvt. Ltd. and Habitat Security Pty. Ltd. SIS Prosegur Cash Logistics Pvt. Ltd. and SIS Prosegur Holdings Pvt. Ltd. are subsidiaries of SIS Cash Services Pvt. Ltd. The Group's interest in these entities are accounted for using the equity method in the consolidated financial statements.

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					March 31, 2023	March 31, 2022
SIS Cash Services Private Limited	India	49.00%	Joint venture	Equity method	508.89	407.32
Habitat Security Pty. Ltd.	Australia	49.00%	Joint venture	Equity method	4.60	2.92
Total equity accounted investments					**513.49**	**410.24**

The share of profits from joint ventures recognized by the Group is given below:

Aggregate amount of share of joint ventures	Joint ventures	
	March 31, 2023	March 31, 2022
(a) Profit or loss from continuing operations	102.13	26.01
(b) Other comprehensive income	2.57	3.91
(c) Total comprehensive income	**104.70**	**29.92**

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

40. Related party transactions

Note 38 above provides the information about the Group's structure.

Name of related parties

Key Management Personnel and their relatives	Joint Venture entities	Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Group
Mr. Ravindra Kishore Sinha (Chairman)	SIS Cash Services Private Limited	Saksham Bharat Skills Limited
Mr. Rituraj Kishore Sinha (Managing Director)	SIS Prosegur Holdings Private Limited	Security Skills Council India Limited
Mr. Uday Singh (Appointed as Independent director and ceased to be non-executive director w.e.f., July 26, 2022)	SIS Prosegur Cash Logistics Private Limited	SIS Group Enterprises Limited
Mr. Arvind Kumar Prasad (Director – Finance)	Habitat Security Pty. Ltd.	Sunrays Overseas Private Limited
Mrs. Rita Kishore Sinha – Non-Executive Director		Vardan Overseas Private Limited
Mr. Amrendra Prasad Verma – Independent Director (retired w.e.f., September 24, 2022)		SIS Asset Management Limited
Mr. T C A Ranganathan – Independent Director		Lotus Learning Private Limited
Mr. Devdas Apte – Independent Director (retired w.e.f., September 24, 2022)		The Indian Public School Educational Foundation Society
Mr. Rajan Krishnanath Medhekar – Independent Director (retired w.e.f., September 24, 2022)		International Institute of Security & Safety Management
Ms. Renu Mattoo – Independent Director (retired w.e.f., January 28, 2023)		Annapurna S. P., Sinha Welfare Activities & Social Awareness Reforms Charitable Trust
Mr. Rajan Verma – Independent Director (appointed w.e.f., July 28, 2021)		RSYA Dhanbad Auto Private Limited
Mr. Upendra Kumar Sinha – Independent Director (appointed w.e.f., June 29, 2022)		
Ms. Rivoli Sinha – Non-Executive Director (appointed w.e.f., November 02, 2022)		
Mr. Sunil Srivastav – Independent director		
Mr. Brajesh Kumar (Chief Financial Officer – India)		
Mr. Devesh Desai (Chief Financial Officer)		
Ms. Pushpalatha Katkuri (Company Secretary)		

All amounts in ₹ Million, unless stated otherwise

40. Related party transactions (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Particulars	Joint Venture		Key management personnel and their relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Group		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Purchase of property, plant and equipment	-	-	-	-	3.27	-	3.27	-
Purchase of goods/ receiving of services/ expenses reimbursed to related parties	2.72	1.99	-	-	8.03	-	10.75	1.99
Sale of goods/ rendering of services/ expenses reimbursed by related parties	151.64	119.91	-	-	130.02	85.38	281.66	205.29
Redemption of investment in bonds/debentures	147.00	-	-	-	-	-	147.00	-
Interest income on bonds or debentures or loans	39.57	40.92	-	-	1.70	2.42	41.27	43.34
Salary & remuneration paid *#	-	-	86.80	71.25	-	-	86.80	71.25
Rent paid	-	-	17.16	16.56	79.06	73.10	96.22	89.66
Contribution to CSR expenditure	-	-	-	-	16.07	-	16.07	-

* *Post-employment benefits/other long-term employee benefits are actuarially determined for the Company as a whole and hence not separately provided. Compensation towards share-based payments are being disclosed in the year of exercise of options.*

\# *Includes sitting fees and commission paid.*

Balances outstanding at end of the year

Particulars	Joint Venture		Key management personnel and their relatives		Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Group		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade payables/Other payables	0.31	0.14	-	-	1.46	19.73	1.77	19.87
Trade receivables/Other receivables	91.70	169.45	-	-	83.81	84.69	175.51	254.14
Loans to related party	-	-	-	-	17.00	17.00	17.00	17.00
Investment in bonds/debentures	225.00	372.00	-	-	-	-	225.00	372.00

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

40. Related party transactions (Contd.)

Terms and conditions of transactions with related parties

Transactions relating to dividends paid, subscription for new equity shares were on the same terms and conditions that applied to other shareholders.

The sales to, and purchases from, related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances at the year-end are unsecured and carry interest equivalent to market rate, where specified, in terms of the transactions and settlement occurs in cash. For the year ended March 31, 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognized in respect of impaired receivables due from related parties.

Information regarding significant transactions:

S. No.	Particulars	Relationship	March 31, 2023	March 31, 2022
a)	**Sale of goods / rendering of services / expenses reimbursed by related parties**			
	SIS Cash Services Private Limited	Joint Venture	19.35	16.01
	Habitat Security Pty. Ltd.	Joint Venture	129.10	97.67
	Security Skills Council India Limited	Others*	115.27	78.67
b)	**Redemption of investment in bonds/debentures**			
	SIS Cash Services Private Limited	Joint Venture	147.00	-
c)	**Interest income on bonds/ debentures/ loans given**			
	SIS Cash Services Private Limited	Joint Venture	39.57	40.92
d)	**Salary & remuneration**			
	Ravindra Kishore Sinha	KMP **	22.71	22.82
	Devesh Desai	KMP **	14.94	12.31
	Rituraj Kishore Sinha	KMP **	9.69	9.69
	Arvind Kumar Prasad	KMP **	5.68	5.44
	Brajesh Kumar#	KMP **	11.52	7.39
	Pushpalatha Katkuri	KMP **	4.45	3.76
	Director sitting fees	KMP **	12.00	9.84
e)	**Rent paid**			
	SIS Asset Management Limited	Others*	58.38	53.36

Includes an amount of ₹ 2.86 Million towards share-based payments for the options exercised during the year.

* *Others represent Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Group.*

** *Key management personnel and their relatives.*

All amounts in ₹ Million, unless stated otherwise

41. Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support the financing of the operations of its subsidiaries, joint ventures and associates. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and loans, security and other deposits.

The Group's operations expose it to market risk, credit risk and liquidity risk. The Group's focus is to reduce volatility in financial statements while maintaining balance between providing predictability in the Group's business plan along with reasonable participation in market movement. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, loans and deposits given, FVTOCI investments and derivative financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates which arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency revenue and cash flows. The Group's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group has limited foreign currency transactions and has limited exposure to foreign currency assets and liabilities resulting in the foreign currency risk being low.

The exchange rate between the Indian Rupee and foreign currencies has fluctuated in recent years and may continue to do so in the future. Consequently, the results of the Group's operations may be affected as the Indian Rupee appreciates/ depreciates against these currencies.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ are as follows:

Particulars	Financial liabilities	
	March 31, 2023	March 31, 2022
Foreign currency risk in ₹		
USD	5.36	15.67
EURO	0.06	3.54
Net exposure to foreign currency risk	**5.42**	**19.21**

Sensitivity

The sensitivity of profit or loss to change in the exchange rates arises mainly from foreign exchange denominated financial instruments are as follows:

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Sensitivity		
Increase by 5%	0.27	0.96
Decrease by 5%	(0.27)	(0.96)

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

41. Financial risk management (Contd.)

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings:		
– Loan repayable on demand	6,654.24	4,888.43
– Loans	7,931.32	6,023.98
Fixed rate borrowings		
– Bonds/Debentures	-	1,894.32
– Vehicle loan	637.45	476.54
Total	**15,223.01**	**13,283.27**

The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	March 31, 2023	March 31, 2022
Interest rates – increase by 25 basis points *	36.46	27.28
Interest rates – decrease by 25 basis points *	(36.46)	(27.28)

**Holding all other variables constant.*

Credit risk

Credit risk arises from the possibility that counterparties may not be able to settle their obligations as agreed resulting in a financial loss. The primary exposure to credit risk arises from Trade receivables and Unbilled revenue (refer note 11 & 7 respectively). These are unsecured and are managed by the Group through a system of periodically assessing the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. No single customer accounted for more than 10% of the accounts receivable as of March 31, 2023 and March 31, 2022, respectively and revenues for the year ended March 31, 2023 and March 31, 2022, respectively. There is no significant concentration of credit risk. The Group uses the expected credit loss ("ECL") method to assess the loss allowance for Trade receivables and Unbilled revenue taking into account primarily the historical trends and analysis of bad debts. The Group does not expect any credit risk or impairment in respect of amounts lent to its subsidiaries, associates and joint ventures, if any.

The credit risk for financial assets other than bank balances and trade receivables are considered low.

Significant estimates and judgments

Impairment of financial assets

The impairment provision for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions. The Group estimates loss arising on trade receivables as a percentage of sales based on past trends and such loss is directly debited to revenue instead of creating a provision for impairment of receivables.

All amounts in ₹ Million, unless stated otherwise

41. Financial risk management (Contd.)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are invested in bank fixed deposits or used to temporarily reduce the balance of cash credit accounts to optimize interest costs.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The Group consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet its financial obligations and maintain adequate liquidity for use.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, shareholder equity, and finance leases.

The below table summarizes the Group's long-term debt that will mature in less than one year based on the carrying value of borrowings reflected in the financial statements.

Particulars	March 31, 2023	March 31, 2022
Group's long-term debt	8,568.77	8,394.84
Group's long-term debt that will mature in less than one year from reporting period	536.93	2,326.04
	6.27%	**27.71%**

The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and significant portion of short-term debt maturing within 12 months can be rolled over with existing lenders. The Group believes that it has sufficient working capital and cash accruals to meet its business requirements and other obligations.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2023

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	6,654.24	231.48	709.70	8,296.72	3.25	**15,895.39**
Lease liabilities	-	104.61	310.05	1,072.17	91.93	**1,578.76**
Other financial liabilities	-	8,120.72	162.15	-	-	**8,282.87**
Trade payables	-	639.08	-	-	-	**639.08**
Contingent consideration	-	-	2.47	52.69	-	**55.16**

Year ended March 31, 2022

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	4,888.43	107.97	2,222.50	6,036.92	3.11	**13,258.93**
Lease liabilities	-	98.06	292.14	987.65	123.34	**1,501.19**
Other financial liabilities	-	7,217.03	-	-	-	**7,217.03**
Trade payables	-	582.61	-	-	-	**582.61**
Contingent consideration	-	-	-	-	-	**-**

As a matter of policy, the Group does not carry out any hedging activities.

There has been no default in servicing borrowings and/ or breaches in loan covenants.

Notes to the Financial Statements (Contd.)

All amounts in ₹ Million, unless stated otherwise

41. Financial risk management (Contd.)

The Group has the following financial assets which are subject to the impairment requirements of Ind AS 109. On assessment of the future cash flows arising from these assets, the Group believes that there is no provision required to be made for impairment losses on these assets.

Particulars	March 31, 2023	March 31, 2022
Financial Assets:		
Investments	225.00	372.00
Other financial assets	7,082.72	5,803.97
Total	**7,307.72**	**6,175.97**

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Year ended March 31, 2023

Balance sheet caption	As at April 01, 2022	Cash flow	Finance/ Transaction cost/ others	Exchange translation	As at March 31, 2023
Borrowings *	8,394.84	190.83	81.14	(98.04)	**8,568.77**
Interest accrued	231.97	(1,065.73)	1,075.27	(5.37)	**236.14**

Year ended March 31, 2022

Balance sheet caption	As at April 01, 2021	Cash flow	Finance/ Transaction cost/ others	Exchange translation	As at March 31, 2022
Borrowings *	9,337.80	(971.60)	(2.32)	30.96	**8,394.84**
Interest accrued	280.38	(932.62)	880.36	3.85	**231.97**

* *Excluding borrowings considered as cash and cash equivalents for the purpose of statement of cash flows.*

42. Additional capital disclosures

For the purpose of the Group's capital management, capital includes issued equity capital, share premium, all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize shareholder value and support its strategies and operating requirements. The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with a focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements for the Group's operations are generally met through operating cash flows generated and supplemented by long-term and working capital borrowings from banks.

The Group's objectives when managing capital are to:

(a) safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) maintain an optimal capital structure to optimize the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants to which it is subject. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a ratio, which is Net Debt divided by EBITDA. The Group defines Net Debt as borrowings and lease liabilities less cash and cash equivalents including bank balances and deposits irrespective of their duration/maturity.

All amounts in ₹ Million, unless stated otherwise

42. Additional capital disclosures (Contd.)

Particulars	March 31, 2023	March 31, 2022
Borrowings (Note 15)	15,223.01	13,283.27
Lease liabilities (Note 16)	1,251.92	1,224.86
Cash and cash equivalents (Note 12), other bank balances and deposits (including margin money)	(7,859.16)	(7,640.57)
Net Debt	**8,615.77**	**6,867.56**
EBITDA	**4,915.27**	**4,984.99**
Net debt to EBITDA ratio	1.75	1.38

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it simultaneously meets financial covenants attached to its borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

Dividends

The Parent declares and pays dividends in Indian Rupees. According to the Companies Act, 2013 any dividend should be declared only out of accumulated distributable profits. A company may, before the declaration of any dividend, transfer a percentage of its profits for that financial year, as it may consider appropriate, to the reserves.

The Parent's Board, at its meeting dated May 03, 2023, has not proposed final dividend for the year ended March 31, 2023 (March 31, 2022: ₹ Nil per share).

The Board of Directors, at their meeting held on September 21, 2016 had approved the issue of bonus shares in the proportion of 10:1, i.e., 10 (ten) equity shares of ₹ 10 each for every 1 (one) fully paid up equity share held as on September 15, 2016 pursuant to resolution passed by the shareholders on July 27, 2016. The Parent has not issued any bonus shares out of capitalization of its revaluation reserves or unrealized profits.

43. Additional regulatory disclosures

(a) Relationship with Struck off Companies:

Relationship with struck off companies	Nature of transactions	Name of Struck off Companies	March 31, 2023	March 31, 2022
Companies with outstanding balance				
Customers	Receivables	Bateshwarnath Construction and Developers (Opc) Private Limited; Brij Packaging; Knorr-Bremse India Private Limited; MGF Developers Private Limited; Orient Micro Abrasive Limited; K M Memorial Hospital and Research Centre Private Limited	1.44	-
Companies with Nil outstanding balance				
Customers	Receivables	Nirmal Industries Ltd.	-	-

(b) The disclosures required under Division II of Schedule III have been given to the extent applicable to the Group.

As per our report of even date

For **S S Kothari Mehta & Company**
Chartered Accountants
(Firm's Registration No. 000756N)

For and on behalf of the Board of Directors

Naveen Aggarwal
(Partner)
Membership No. 094380

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 03, 2023

Devesh Desai
Chief Financial Officer

Brajesh Kumar
Chief Financial Officer (India)

Pushpalatha Katkuri
Company Secretary

Notes

A Market Leader in
Security, Cash Logistics
& Facility Management

Group Enterprises

Registered Office
Annapoorna Bhawan, Telephone Exchange
Road, Kurji, Patna, Bihar-800010

Corporate Office
A-28 & 29, Okhla Industrial Area, Phase-1,
New Delhi - 110020

/Concept, content and design at AICL (hello@aicl.in)