

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
Off Intermediate Ring Road,
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000
Fax: + 91 80 4682 3999

Limited Review Report on unaudited standalone financial results of S.J.S. Enterprises Limited for the three months ended 31 December 2021 and year-to-date standalone financial results for the period from 1 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of S.J.S. Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of S.J.S. Enterprises Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 ("the Statement").
Attention is drawn to the fact that the figures for the quarter and year-to-date period ended 31 December 2020, as reported in these unaudited standalone financial results have been approved by the Company's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly standalone financial results has become mandatory with effect from quarters ending on or after 31 December 2021.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022


Umang Banka
Partner

Bangalore
08 February 2022

Membership No.: 223018
UDIN: 22223018AATZYD6952

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

S.J.S. Enterprises Limited

(Formerly known as S.J.S. Enterprises Private Limited)

Sy No 28/P16 of Agra Village and Sy No 85/P6
CertiifedSy No 28/P16 of Agra Village and Sy No 85/P6
Certiifed

P: +91 80 6194 0777 F: +91 80 28425110

Email Id: info@sjssindia.com, compliance@sjssindia.com

ISO 14001 ISO 45001

ISO 9001 IATF 16949

Certified

CIN: U51909KA2005PLC036601

www.sjssindia.com

**Statement for Unaudited Standalone financial results for the quarter and year to date period ended 31 December 2021**

Particulars	Rs. in Million, except per share data					
	Quarter ended			Nine months ended		Year ended
	Dec 31, 2021	Sept 30, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	March 31, 2021
Unaudited	Unaudited	Unaudited (Refer Note 6)	Unaudited	Unaudited (Refer Note 6)	Audited	
1. Income						
a) Revenue from operations (refer note 9)	662.51	713.37	830.40	1,943.95	1,779.51	2,516.16
b) Other income	8.09	5.80	9.66	23.13	23.73	35.38
Total Income	670.60	719.17	840.06	1,967.08	1,803.24	2,551.54
2. Expenses						
a) Cost of raw materials consumed	228.36	269.74	305.91	706.56	685.28	990.29
b) Changes in inventory of finished goods, stock in trade and work-in-progress	4.84	1.46	21.31	7.25	4.86	(18.49)
c) Employee benefits expense	96.34	110.17	90.15	304.12	250.24	360.68
d) Finance costs	1.14	1.23	1.83	3.52	3.90	7.77
e) Depreciation and amortization expense	38.80	38.41	40.11	115.98	107.79	147.49
f) Other expenses	113.08	114.23	119.93	325.48	259.01	422.02
Total Expenses	482.56	535.24	579.24	1,462.91	1,311.08	1,909.76
3. Profit before tax [1-2]	188.04	183.93	260.82	504.17	492.16	641.78
4. Income tax expense						
a) Current tax	41.52	53.72	77.72	133.87	146.66	191.01
b) Deferred tax	8.13	(6.22)	(10.95)	(5.13)	(20.67)	(26.88)
Total Tax expenses	49.65	47.50	66.77	128.74	125.99	164.13
5. Profit for the period / year [3-4]	138.39	136.43	194.05	375.43	366.17	477.65
6. Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Re-measurements of net defined benefit plans	(4.32)	0.20	3.72	(2.92)	1.73	(0.30)
Income tax relating to these items	1.09	(0.05)	(0.94)	0.73	(0.44)	0.07
Other comprehensive income for the period / year (net of tax)	[3.23]	0.15	2.78	(2.19)	1.29	(0.23)
7. Total Comprehensive income for the period / year [5+6]	135.16	136.58	196.83	373.24	367.46	477.42
8. Paid-up equity share capital (Face Value of Rs.10 each)	304.38	304.38	304.38	304.38	304.38	304.38
9. Other equity						2,847.78
10. Earnings per share (Face value of Rs.10 each) (not annualised)						
a) Basic (in Rs.)	4.55	4.48	6.38	12.33	12.03	15.69
b) Diluted (in Rs.)	4.51	4.48	6.38	12.23	12.03	15.69



NOTES:

- 1) The above unaudited standalone financial results ('the Statement') of S.J.S. Enterprises Limited ("the Company") have been prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) The Statement of the Company for the quarter and nine months ended 31 December 2021 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 8 February 2022. The statutory auditors have expressed an unmodified opinion on the Statement.
- 3) The figures for the quarter and nine months ended 31 December 2021 were subjected to limited review by the Statutory Auditors of the Company. The review report of the Statutory Auditor is being filed with National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE") and is also available on the Company's website at www.sjsindia.com.
- 4) Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company shall publish unaudited consolidated financial results in the newspapers. However, the unaudited standalone financial results will be made available on the stock exchanges websites of NSE at www.nseindia.com and BSE at www.bseindia.com and on Company's website at www.sjsindia.com.
- 5) During the nine months ended 31 December 2021, the Company vide its resolution dated 14 July 2021 has introduced 'SJS Enterprises - Employee Stock Options Plan 2021' to issue such number of options which shall not exceed 24,35,000 to its eligible employees. Consequently, during the nine months ended 31 December 2021, the Company has issued 13,89,000 options to its eligible employees.
- 6) The Company has completed its Initial public offering (IPO) and listed its equity shares on BSE and NSE on 15 November 2021. The accompanying financial results are the first financial results of the Company post listing. Accordingly, the figures for the quarter and nine months ended 31 December 2020 as reported in these unaudited standalone financial results have been approved by the Company's Board of Directors but were neither reviewed nor subject to audit. However, the management has exercised necessary due diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs.
- 7) During the quarter ended 31 December 2021, the Company has completed its IPO of 14,760,146 equity shares of face value of Rs. 10 each at a price of Rs. 542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. As per the arrangement with the related Shareholders, the expense incurred on account of IPO is required to be borne by the respective Selling Shareholders in their respective Shareholding ratio. The Company has obtained a confirmation from the respective Selling Shareholders and has shown these amounts as recoverable from them.



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Sy No 2&P16 of Agra Village and Sy No 85/P6
of B M Kaval Village Kengeri Hobli Bangalore 560082
P: +91 80 6194 0777 F: +91 80 28425110
Email Id: info@sjssindia.com, compliance@sjssindia.com

ISO 14001 ISO 45001
ISO 9001 IATF 16949
Certified
CIN: U51909KA2005PLC036601
www.sjssindia.com



- 8) During the nine months ended 31 December 2021, the Company has entered into an agreement with Exotech Plastics Private Limited ("Exotech") and existing Shareholders of Exotech to acquire the entire equity shares. Exotech is engaged in the business of manufacturing and supply of automobile components and other components. The Company has paid Rs. 640 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Company, effective from 5 April 2021.
- 9) During the quarter ended 31 December 2021, the Company has carried out negotiations and settlement on discounts with one of its key customers and accordingly has reversed a provision of Rs. 37.61 million.
- 10) The Company has evaluated its operating segments in accordance with Ind AS 108 and has concluded that it is engaged in a single operating segment viz. manufacturing and selling of self-adhesive labels like automotive dials, overlays, badges and logos for automotive electronics and appliances industry and on the basis of decisions taken for allocation of resources by the Chief Operating Decision Makers (CODM) and the internal business reporting system for evaluation of operational results.
- 11) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 12) In March 2020, the World Health Organization declared COVID-19 to be a Pandemic. The Company adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has evaluated the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets and liabilities and its internal financial controls. The Company has considered internal and external sources of information as of the date of approval of these unaudited standalone financial results in determining the possible impact, if any, of the resurgence of the COVID-19 pandemic on the carrying amounts of its trade receivables, inventories, financial and non-financial assets. The Company has used the principle of prudence in applying judgements and making estimates. Based on this evaluation, the Company does not expect any material impact on its unaudited standalone financial results. However, the eventual outcome of impact of COVID-19 pandemic may be different from those estimated as on the date of approval of these unaudited standalone financial results, as the COVJD-19 situation evolves in India and Globally. The Company will continue to closely monitor any material changes to future economic conditions and consequential impact on its unaudited standalone financial results.



- 13) The MCA wide notification dated 24 March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from 1 April 2021. The Company has incorporated the changes as per the said amendment in the above results and has also changed comparative numbers wherever it is applicable.
- 14) The Board of Directors at their meeting held on 9 April 2021 and 24 September 2021 respectively have declared and paid an interim dividend of Rs. 1.65 per equity share and Rs. 2.00 per equity share respectively (face value of Rs. 10.00 each) for the financial year ended 31 March 2022 aggregating to Rs. 111.10 million.

For and on behalf of Board of Directors

Place: Bangalore
Date: 08 February, 2022




K.A. Joseph
Managing Director
DIN: 00784084