Date: December 18, 2020

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

NSE Symbol: SIS

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

BSE Code: 540673

Dear Sir/Madam,

Sub: Intimation – Sale of shares by Employees acquired under Employee Stock Option Plan

We would like to inform you that Security and Intelligence Services (India) Limited ("Company") had granted stock options to its employees and the employees of its subsidiary companies ("Employees") under its Employee Stock Option Plan ("ESOP" or "Plan") from time to time. The Nomination and Remuneration Committee had approved the vesting of such options granted under the Plan over a period of four years. The number of options vested under the Plan as on date are 23,62,230.

The exercise window to exercise the vested options by the eligible Employees is open from October 31, 2020 to July 31, 2022.

At the time of exercise of the vested options, the value of the exercised options is taxable as perquisite in the hands of the respective employees. The perquisite thus computed gives rise to a tax event and liability which needs to be immediately discharged by the employee and the Company in the form of TDS.

Under the terms of the grant approved by the Nomination and Remuneration Committee in 2016, the exercise price of these options is the face value of the shares and the difference between the market price at the time of exercise and the face value is taxable in the hands of the employees as perquisite. This difference gives rise to a significant tax liability for the respective employees.

As a result of this significant tax liability, those Employees, who have exercised the vested stock options and have been allotted shares, are in the process of selling a portion of such shares acquired under ESOP in order to discharge such tax liability and comply with their statutory obligations.

This is for your information and records.

Thanking you.

Yours faithfully,
For **Security and Intelligence Services (India) Limited**

Pushpalatha K
Company Secretary

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