

SML/SEC/EXCH
8th September, 2020

Dy. General Manager- Corporate Relationship Department BSE Limited 1st Floor, New Trading Ring Rotunda Building P.J Towers, Dalal Street Fort, Mumbai-400 001 Scrip Code: 505192	The Secretary, National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot no. C/1, G Block Bandra- Kurla Complex Bandra (E) Mumbai - 400051 Scrip Code: SMLISUZU
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Dear Sir,

Outcome of Board Meeting- Regulation 30 and 33 of SEBI (LODR) Regulations, 2015

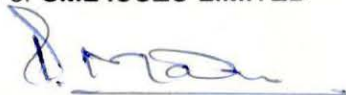
This is to inform you that the Board of Directors of the Company at the meeting held today i.e 8th September, 2020 (Tuesday) have approved the Unaudited Financial Results of the Company for the First Quarter ended 30th June, 2020.

Copies of un-audited Financial Results alongwith Limited Review Report from the Company's Statutory Auditors are enclosed herewith.

The Board Meeting commenced at 11.30 A.M. and concluded at 1:45 PM.

You are requested to kindly take note of the above information on your records.

Yours faithfully
For **SML ISUZU LIMITED**



(PARVESH MADAN)
Company Secretary & Compliance Officer
pmadan@smlisuzu.com
ACS-31266

SML ISUZU Limited

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Regd. Office & Works:

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Trucks & Buses

SML ISUZU LIMITED

Regd. Office : Village Asron, Distt. Shahid Bhagat Singh Nagar (Nawanshahr) - 144 533, Punjab

CIN : L50101PB1983PLC005516, Website: www.smlisuzu.com, Email id : investors@smlisuzu.com, T : 91 1881 270255, F: 91 1881 270223

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

(Rupees in Crores, except share data, per share data and unless otherwise stated)

S.No.	Particulars	Quarter Ended		Year ended	
		30 June 2020	31 March 2020	30 June 2019	31 March 2020
		Unaudited	Audited (Refer note 3)	Unaudited	Audited
1	INCOME				
	a) Revenue from operations	28.74	272.17	471.43	1,154.16
	b) Other income	0.77	1.51	0.66	5.14
	Total Income (1)	29.51	273.68	472.09	1,159.30
2	EXPENSES				
	a) Cost of materials consumed	28.19	201.35	264.93	683.18
	b) Purchase of stock-in-trade	2.12	14.86	14.67	59.93
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.95)	(8.07)	85.73	161.11
	d) Employee benefits expense	35.45	38.26	43.31	155.15
	e) Finance cost	5.74	2.73	4.67	14.63
	f) Depreciation and amortisation expense	11.61	10.67	9.96	40.72
	g) Other expenses	6.61	17.15	26.30	82.90
	Total Expenses (2)	81.77	276.95	449.57	1,197.62
3	Profit / (Loss) before tax (1-2)	(52.26)	(3.27)	22.52	(38.32)
4	Tax expense				
	- Current tax	-	-	4.73	-
	- Tax adjustment related to prior years	-	(1.22)	-	(2.00)
	- Deferred tax (credit) / charge	-	(0.04)	1.13	(15.26)
5	Profit / (Loss) for the period (3-4)	(52.26)	(2.01)	16.66	(21.06)
6	Other Comprehensive Income				
	A. (i) Items that will not be reclassified to Profit or Loss				
	- Remeasurement gain / (loss) on defined benefit plans	(0.73)	(0.48)	(0.73)	(2.66)
	(ii) Income tax related to items that will not be reclassified to profit or loss	-	0.17	0.26	0.93
	B. (i) Items that will be reclassified to Profit or Loss				
	- Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(0.27)	(1.24)	0.44	(1.06)
	(ii) Income tax related to items that will be reclassified to profit or loss	-	0.43	(0.15)	0.37
7	Total Comprehensive Income / (Loss) for the period (5+6) [comprising Profit / (Loss) and Other Comprehensive Income for the period]	(53.26)	(3.13)	16.48	(23.48)
8	Basic and diluted earnings per share (Rupees)	(36.11)	(1.39)	11.51	(14.55)
9	Paid-up equity share capital (face value Rs. 10 per share)	14.48	14.48	14.48	14.48
10	Other equity	-	-	-	370.39
	See accompanying notes to the unaudited financial results				

YUGO
HASHIMO
TO

Digitally signed by YUGO HASHIMO
DN: cn=YUGO HASHIMO, o=SML ISUZU LIMITED,
ou=Finance, email=yugo.hashimo@smlisuzu.com,
c=IN

Notes :

- 1 The Company is primarily engaged in the business of manufacturing of commercial vehicles and related components which constitutes a single business segment and accordingly, disclosure requirements of Ind AS 108, 'Operating Segments' are not required to be given. As defined in Ind AS 108, the Chief Operating Decision Maker (CODM), i.e. the Board of Directors, evaluates the performance of the Company and allocates resources based on the analysis of the various performance indicators of the Company as a single unit.
- 2 The above unaudited results were reviewed by the Audit Committee on 7 September 2020 and approved by the Board of Directors in their meeting held on 8 September 2020. The unaudited results for the current quarter, have been subjected to limited review by the Statutory Auditors of the Company. The unmodified review report of the Statutory Auditors is being filed with the BSE Limited and National Stock Exchange of India Limited. For more details on the unaudited results, visit 'disclosure' section of our website at www.smlisuzu.com and 'Financial Results' in 'Corporates' section of www.nseindia.com and www.bseindia.com.
- 3 The figures for the quarter ended 31 March 2020, as reported in these unaudited financial results, are the balancing figures between audited figures in respect of the full financial year ended 31 March 2020 and the published year to date figures upto the end of third quarter of the relevant financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
- 4 The operations of the Company have been significantly impacted including shutdown of its manufacturing plant and offices following a nationwide lockdown by the Government of India. The Company gradually resumed operations of its plant during the first week of May 2020 as per directives from the State Government and Government of India. As a result of the lockdown, the revenue for the quarter ended 30 June 2020 has been severely impacted.
The Company has evaluated the impact of this pandemic on its business operations and financial position while preparing these financial results and has considered internal and external information for making this evaluation. The Company's assessment is based on its current estimates while assessing the provision towards employee benefits and assessing the realizability of inventories, trade receivables, other financial assets etc. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting and controls etc.
However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration, and the actual impact on these financial results may differ from that estimated due to unforeseen circumstances. The Company will continue to closely monitor any material changes to future economic conditions.
- 5 The management has not recognised deferred tax asset on carryforward of unused tax losses and unused tax credits during the quarter ended 30 June 2020 based on prudence.
- 6 The Company's business activities were hit hard in fiscal 2020 and current quarter ended 30 June 2020, as sales fell due to general slowdown in the automotive industry which was accentuated by the outbreak of Covid-19. The Covid-19 outbreak has cast a long shadow over the Indian economy in fiscal 2021 and has significantly impacted the Company due to plant shutdowns as well as subsequent lower demand as people tackle the pandemic. A return to earlier 'normal' levels of demand is envisaged only over a period of time, and there is a risk of setbacks along the way. The Company has incurred a loss of Rs. 52.26 crores during the current quarter ended 30 June 2020.
Despite the impact of Covid-19 on the current operations as explained above, the accompanying financial results have been prepared on a going concern basis as Management expects that the Company will be able to continue as a going concern for a foreseeable future in view of its strong net worth, established technical excellence and operational systems as well as identified future course of actions which Management considers to be realistic and feasible such as to protect revenues, cut costs, manage working capital balances, manage liquidity by deferring dividends, non compulsory capital expenditures etc. Hence, despite various uncertainties, in view of its Management and the Board of Directors, the Company will be able to meet its financial obligations in the foreseeable future based on the above actions, continued support from various stakeholders including its promoter group and through availability of financing from lenders as may be required to sustain its operations on a going concern basis and will be able to discharge its liabilities and realise the carrying amount of its assets as on 30 June 2020.

**For and on behalf of
the Board of Directors**

YUGO
HASHIMOTO
O

(Yugo Hashimoto)
Managing Director & CEO
DIN: 08165797

Place: Tokyo, Japan
Date: 8 September 2020

Walker ChandioK & Co LLP

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Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of SML Isuzu Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of SML Isuzu Limited ('the Company') for the quarter ended 30 June 2020 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Walker Chandiok & Co LLP

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 the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 and 6 to the accompanying statement, which describes the uncertainties relating to COVID-19 pandemic and management's evaluation of its impact on the Company's operations and the accompanying Statement as at 30 June 2020, the impact of which is significantly dependent on future operations. Our conclusion is not modified in respect of this matter.
6. The review of unaudited quarterly financial results for the period ended 30 June 2019 and audit of financial results for the quarter and year ended 31 March 2020 included in the Statement was carried out and reported by BSR & Associates LLP who have expressed unmodified conclusion vide their review report dated 14 August 2019 and unmodified opinion vide their audit report dated 21 July 2020, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sandeep Mehta

Partner

Membership No. 099410

UDIN: 20099410AAAACI5593

Place: Chandigarh

Date: 8 September 2020