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|---|---|
| Dy. General Manager- Corporate Relationship Department BSE Limited P.J Towers, Dalal Street, Mumbai-400001 | The Secretary, National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Bandra- Kurla Complex, Mumbai - 400051 |
| Scrip Code: 505192 | Scrip Code: SMLISUZU |

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 5th August, 2021 (Thursday) have :

1. approved the Unaudited Financial Results of the Company for the first quarter ended 30th June, 2021. Copies of un-audited Financial Results along with Limited Review Report from the Company's Statutory Auditors are enclosed herewith.
2. noted the resignation received from Mr. Noboru Murakami, Non-Executive Director (DIN 08803344) with effect from 5th August, 2021. Consequently, he will ceased to be Director of the Company with effect from 5th August, 2021.
3. approved the appointment of Mr. Kazuo Goda (DIN 07572151), as Additional Director of the Company on rotation basis (Category: Non-Executive Non-Independent Director) in place of Mr. Noboru Murakami, with effect from 5th August, 2021.

In this regard, we wish to confirm that Mr. Goda is not disqualified / debarred from being appointed to the Office of a Director by virtue of any order of SEBI or any other regulatory authority. Profile of Mr. Kazuo Goda is enclosed as **Annexure I**.

The Board Meeting commenced at 11.00 A.M. and concluded at 1:05 P.M.

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

Corporate Office : 204-205, Sector 34-A, Chandigarh - 160135

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Regd. Office & Works:

Village : Asron, Distt. Shahid Bhagat Singh Nagar (Nawanshahar) Punjab - 144533

T +91 1881 270255 F +91 1881 270223 W www.smlisuzu.com CIN L50101PB1983PLC005516

Trucks & Buses

Profile of Mr. Kazuo Goda

Mr. Kazuo Goda, aged 54 years, is a graduate from Kyoto Sangyo University, Japan. He joined Isuzu Motors Ltd., Japan in April, 1990 and since then has held several positions in various departments including International Operations Office, International Business Development Dept., International Market Development Dept. and International Sales Dept. Currently, he is associated with Isuzu Motors Ltd. as a General Manager, Regional Management Office No. 2. He has over 30 years of rich experience in International Business Development and International Sales.

Mr. Goda was also the Non-Executive Director of the Company (SML Isuzu Limited) from August 2016 till June 2020.

Mr. Kazuo Goda is not related to any of the Directors of the Company.

For SML ISUZU LIMITEDA handwritten signature in blue ink, appearing to read 'P. Madan', is written over a horizontal line.
(PARVESH MADAN)
Company Secretary &
Compliance Officer
ACS-31266

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 2021

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

| S.No. | Particulars | Quarter Ended | | | Year Ended |
|-------|---|----------------|---------------------------|----------------|-----------------|
| | | 30.06.2021 | 31.03.2021 | 30.06.2020 | 31.03.2021 |
| | | Unaudited | Audited (Refer note 3) | Unaudited | Audited |
| 1 | INCOME | | | | |
| | a) Revenue from operations | 99.97 | 258.44 | 28.74 | 591.48 |
| | b) Other income | 0.35 | 0.99 | 0.77 | 4.49 |
| | Total Income (1) | 100.32 | 259.43 | 29.51 | 595.97 |
| 2 | EXPENSES | | | | |
| | a) Cost of materials consumed | 91.95 | 189.90 | 28.19 | 440.92 |
| | b) Purchase of stock-in-trade | 9.43 | 14.58 | 2.12 | 37.17 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (28.41) | 6.13 | (7.95) | (7.42) |
| | d) Employee benefits expense | 32.87 | 31.11 | 35.45 | 133.47 |
| | e) Finance cost | 5.41 | 4.71 | 5.74 | 23.34 |
| | f) Depreciation and amortisation expense | 11.10 | 11.20 | 11.61 | 46.17 |
| | g) Other expenses | 11.41 | 21.80 | 6.61 | 55.69 |
| | Total Expenses (2) | 133.76 | 279.43 | 81.77 | 729.34 |
| 3 | Loss before tax (1-2) | (33.44) | (20.00) | (52.26) | (133.37) |
| 4 | Tax expense | | | | |
| | - Current tax | - | - | - | - |
| | - Tax adjustment related to prior years | - | - | - | - |
| | - Deferred tax credit | - | 0.12 | - | 0.12 |
| 5 | Loss for the period (3-4) | (33.44) | (20.12) | (52.26) | (133.49) |
| 6 | Other Comprehensive Income | | | | |
| | A. (i) Items that will not be reclassified to Profit or Loss | | | | |
| | - Remeasurement gains / (losses) on defined benefit plans | 0.37 | 5.04 | (0.73) | 2.84 |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | - | - | - | - |
| | B. (i) Items that will be reclassified to Profit or Loss | | | | |
| | - Effective portion of gains / (losses) on hedging instruments in cash flow hedges | 0.03 | 0.49 | (0.27) | 1.35 |
| | (ii) Income tax related to items that will be reclassified to profit or loss | - | - | - | - |
| 7 | Total Comprehensive income / (loss) for the period (5+6) [comprising Loss and Other Comprehensive Income for the period] | (33.04) | (14.59) | (53.26) | (129.30) |
| 8 | Basic and diluted earnings per share in Rs. (not annualised) | (23.11) | (13.90) | (36.11) | (92.24) |
| 9 | Paid-up equity share capital (face value Rs. 10 per share) | 14.48 | 14.48 | 14.48 | 14.48 |
| 10 | Other equity | - | - | - | 241.09 |
| | See accompanying notes to the unaudited financial results | | | | |



JUNYA
YAMANISHI

Digitally signed by JUNYA
YAMANISHI
DN: cn=JFY, o=Personal,
pseudonym=aab2ee1a6180e69b,
17137498133CP44251876b981c
0125451727e6a4f70a
postalCode=1500096, st=Tokyo,
cn=JUNYA YAMANISHI
Date: 2021.08.05 12:22:49 +05'30'

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 4 August 2021 and approved by the Board of Directors in their meeting held on 5 August 2021. 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 2021, as reported in these unaudited financial results, are the balancing figures between audited figures in respect of the full financial year ended 31 March 2021 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 above financial results have 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure 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.
- 5 The Company's business activities were significantly impacted during the quarter ended 30 June 2021 as a result of Covid-19 pandemic, resulting in loss before tax of Rs. 33.44 crores. However, the accompanying financial results have been prepared on a going concern basis as management expects that the Company should 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, manage 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 2021.
- 6 The second wave of Covid-19 in April 2021 had significantly increased the number of Covid cases in India, resulting in re-imposition of localised lockdowns / restrictions in various states. The Company's operations were suspended / slowed down during the lockdown period and were gradually resumed subsequently with requisite precautions. The operations are expected to return to normalcy in due course of time. The Company has considered the impact of Covid-19 pandemic on its business operations and financial position while preparing these financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, as at the date of approval of the financial results, considered internal and external information for making this evaluation. 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 as at the date of approval of these financial results. The auditors have given an emphasis on matter in their review report.
- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Company will evaluate the impact of the Code and will give appropriate impact in the financial results in the period in which the Code becomes effective and the related rules are published.
- 8 The Company has received some observations / concerns regarding certain unpaid service claims amounting to approx. Rs 0.65 crores with inadequate supporting documentation. The Company decided to verify such observations / concerns through an internal fact-finding committee. Accordingly, the Company appointed an internal committee to verify such observations / concerns. Based on said observations / concerns and its assessment of the final verification report of internal fact-finding committee, the Company is of the view that there is no evidence available which indicates any material financial impropriety, and consequently, no adjustment is required to be made to the financial results for the quarter ended 30 June 2021.
- 9 The CEO and CFO have certified these results under Regulation 33(2) of SEBI (LODR) Regulations, 2015.

Place: Tokyo, Japan
Date: 5 August 2021



For and on behalf of
the Board of Directors

JUNYA
YAMANISHI

(Junya Yamanishi)
Managing Director & CEO
DIN: 09174162

Walker Chandiook & 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 2021 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 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure 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. 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 Chandiook & 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 recognition and measurement 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 5 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 2021, the impact of which is significantly dependent on future operations. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sandeep Mehta

Partner

Membership No. 099410

UDIN: 21099410AAAADB5162



Place: Chandigarh

Date: 5 August 2021