SML ISUZU LIMITED
(Formerly Swaraj Mazda Limited)

Corporate Office :
204-205, Sector 34-A,
Chandigarh-160 135
Tel. : (91) 172 - 2647700-10
Fax : (91) 172 - 2615111

SML/SEC/EXCH
10th May 2016

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

Dear Sir,

Outcome of Board Meeting– Regulation 30 of SEBI (LODR), 2015

This is to inform you that the Board of Directors of their Company at the Meeting held today 10th May 2016 (Tuesday) at New Delhi have:

1. Approved the Audited Financial Results for the quarter & year ended 31 March, 2016. Copy of the Audited Financial Results along with Auditors' Report and Form A enclosed herewith.

2. Recommended a dividend of **Rs. 8/- per equity share** for the financial year ended 31st March 2016.The dividend will be paid / dispatched on 16th August 2016, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company.

3. Took note of the resignation received from **Mr. Kyoichiro Takashima** (DIN No. 06604412) with effect from 10th May 2016. Consequently, he ceased to be Director of the Company with effect from 10th May 2016.

4. Approved the appointment of **Mr. Takeru Kikkawa**, aged 55 years, (DIN No. 03107280) as Additional Director of the Company on rotation basis (Category: Non-Executive Non-Independent Director) with effect from 10th May 2016 in place of Mr. Kyoichiro Takashima. He will hold office upto the ensuing Annual General Meeting of the Company.

Profile of Mr. Takeru Kikkawa

Mr. Takeru Kikkawa is a graduate from Keio University, Japan. He joined Sumitomo Corporation, Japan in April, 1983 and since then has held several positions in various departments including Motor Vehicles Department and Automotive Manufacturing Business Department. Currently, he is associated with Sumitomo Corporation, Japan as a General Manager, Automotive Manufacturing Business Department 1. He has experience of around 33 years in automotive business.

Mr. Takeru Kikkawa is not related to any of the Directors of the Company.

5. Approved a proposal for raising long term borrowings by way of External Commercial Borrowings (ECB) for partial funding of Capex Plan of Rs. 220 crores (approved by the Board and communicated to stock exchange on 8th August 2014), from The Bank of Tokyo-Mitsubishi UFJ, Ltd., Japan, in the nature of unsecured loan, for an amount upto Rs. 140 crores designated in US Dollars.

   Details of Loan agreement to be executed with the bank will be shared on signing of the agreement.It has also been decided to cover forex risk and interest change risk through hedging.

Annual General Meeting and Book Closure

The 32nd Annual General Meeting of the Company will be held on **5th August, 2016 (Friday)** .

The Register of Members and Share Transfer books of the Company will be closed from **30th July 2016 to 5th August 2016** (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

A press release being issued in respect of financial results is also enclosed herewith.

The Board Meeting commenced at 11.30 A.M. and concluded at 2:30 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

(Formerly Swaraj Mazda Limited)

PRESS RELEASE

10th May, 2016

SML ISUZU Q4 PBT surges 42%; Annual PBT surges 40.0%

Dividend raised to Rs.8 per share from Rs.6 per share last year.

Annual PBT Rs.68.3 crores-Highest ever achieved.

The Board of Directors in their meeting held today approved Financial Results for Jan-March, 2016 4th quarter and Financial Year 2015-16 with performance highlights as follows:

4th quarter **Profit before Tax (PBT)** Rs. 21.6 crores (Rs.15.2 crores) – up 42%

PBT margin for the 4th quarter rises to 6.8% (Corresponding quarter- 4.7%)

Net revenue for the 4th quarter reached Rs.318.1 crores on sale of 3504 vehicles against corresponding net revenue of Rs.321.5 crores on sale of 3524 vehicles.

Profit after Tax (PAT) for the 4th quarter at Rs. 16.7 crores (Rs.12.7 crores) translates to an EPS of Rs. 11.51 for the quarter (Annualised Rs. 46.04 per share).

Net revenue **for fiscal 2015-16**, reached Rs.1164.3 crores on sale of 12700 vehicles against corresponding net revenue of Rs.1105.5 crores on sale of 11759 vehicles.

For financial year 2015-16, Profit before Tax reached Rs.68.3 crores against previous year Rs. 48.7 crores.

PBT margin for the fiscal 2015-16 rises to 5.9% (previous year- 4.4%)

Profit after Tax (PAT) for the fiscal year translates to an EPS of Rs. 35.35 per share (Rs.25.53 Per share)

Financial Results taken on record by the Company's Board of Directors on 10th May, 2016 are enclosed.

SML ISUZU LIMITED

(Formerly Swaraj Mazda 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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

Part-I — Rs. Crores, except per equity share data

Particulars	Quarter Ended			Year Ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	Audited (Refer note 6)	Unaudited	Audited (Refer note 6)	Audited	
INCOME FROM OPERATIONS					
a) Net sales/income from operations (net of excise duty)	316.07	192.79	319.54	1157.16	1098.09
b) Other operating income	2.00	1.38	2.00	7.14	7.46
Total income from operations (net)	**318.07**	**194.17**	**321.54**	**1164.30**	**1105.55**
EXPENSES					
a) Cost of materials consumed	239.53	211.42	267.60	852.09	814.87
b) Purchase of stock-in-trade	13.30	9.35	9.99	42.60	35.07
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(22.34)	(86.12)	(42.83)	(46.78)	(39.32)
d) Employee benefits expense	33.35	32.33	30.80	124.88	120.09
e) Depreciation and amortisation expense	5.27	5.13	5.57	19.55	19.78*
f) Other expenses	27.15	24.63	35.32	106.75	109.28
Total Expenses	**296.26**	**196.74**	**306.45**	**1099.09**	**1059.77**
Profit/(Loss) from operations before other income, finance costs and exceptional items	**21.81**	**(2.57)**	**15.09**	**65.21**	**45.78**
Other income	2.30	1.91	2.39	8.28	8.79
Profit/(Loss) from ordinary activities before finance costs and exceptional items	**24.11**	**(0.66)**	**17.48**	**73.49**	**54.57**
Finance costs	2.51	1.02	2.32	5.17	5.82
Profit/(Loss) from ordinary activities after finance costs but before exceptional items	**21.60**	**(1.68)**	**15.16**	**68.32**	**48.75**
Exceptional Items	-	-	-	-	-
Profit/(Loss) from ordinary activities before tax	**21.60**	**(1.68)**	**15.16**	**68.32**	**48.75**
Tax expense	4.93	(0.75)	2.42	17.16	11.81
Net Profit/(Loss) from ordinary activities after tax	**16.67**	**(0.93)**	**12.74**	**51.16**	**36.94**
Extraordinary item	-	-	-	-	-
Net Profit / (Loss) for the period	**16.67**	**(0.93)**	**12.74**	**51.16**	**36.94**
Paid-up equity share capital (Face value Rs. 10/- per share)	14.48	14.48	14.48	14.48	14.48
Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	325.65	288.42
Earnings Per Share (before extraordinary items) (of Rs. 10/- each) (not annualised)					
(a) Basic (Rs.)	11.51	(0.63)	8.81	35.35	25.53
(b) Diluted (Rs.)	11.51	(0.63)	8.81	35.35	25.53
Earnings Per Share (after extraordinary items) (of Rs. 10/- each) (not annualised)					
(a) Basic (Rs.)	11.51	(0.63)	8.81	35.35	25.53
(b) Diluted (Rs.)	11.51	(0.63)	8.81	35.35	25.53

Notes :

1 Statement of Assets and Liabilities (Audited) as at 31 March 2016:

(Rs. Crores)

	Particulars	Audited	
		31.03.2016	31.03.2015
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	(a) Share Capital	14.48	14.48
	(b) Reserves and Surplus	325.65	288.42
	Sub total-Shareholders' Funds	**340.13**	**302.90**
2	**Non-current liabilities**		
	(a) Deferred tax liabilities (net)	5.60	2.57
	(b) Other Long term liabilities	11.66	10.18
	(c) Long-term provisions	47.80	45.19
	Sub total-non-Current liabilities	**65.06**	**57.94**
3	**Current liabilities**		
	(a) Short-term borrowings	55.00	22.29
	(b) Trade payables	171.93	200.34
	(c) Other current liabilities	55.49	52.38
	(d) Short-term provisions	39.08	39.23
	Sub total-Current liabilities	**321.50**	**314.24**
	TOTAL	**726.69**	**675.08**
B	**ASSETS**		
1	**Non Current Assets**		
	(a) Fixed assets	211.39	164.48
	(b) Long-term loans and advances	22.49	18.41
	(c) Other non-current assets	-	1.41
	Sub total-Non-Current assets	**233.88**	**184.30**
2	**Current Assets**		
	(a) Inventories	338.53	285.86
	(b) Trade receivables	102.80	104.38
	(c) Cash and bank balance	36.14	87.75
	(d) Short-term loans and advances	13.02	7.84
	(e) Other current assets	2.32	4.95
	Sub total-Current assets	**492.81**	**490.78**
	TOTAL	**726.69**	**675.08**

2 The above results were reviewed and recommended by audit committee on 9 May 2016 and approved by the Board of Directors in their meeting held at New Delhi on 10 May 2016. The statutory auditors of the Company have audited the financial results for the year ended 31 March 2016. An unmodified opinion has been issued and the same is being filed with the stock exchanges alongwith the above results.

3 The Board of Directors have recommended a dividend of Rs. 8.0 per share subject to the approval of the Shareholders at the Annual General Meeting.

4 * Pursuant to Companies Act, 2013 ("the Act") effective from 01 April, 2014, the Company had revised depreciation rates on certain fixed assets as per the useful life specified in Part "C" of Schedule II of the act or as per the management's estimate based on internal technical evaluation. As a result of this change, the depreciation charge for the quarter and year ended 31 March 2015 was higher by Rs. 1.90 crores and Rs. 5.80 crores respectively.

5 The Company is engaged in the business of manufacture of Commercial vehicles and spares which is a primary segment for the Company which constitutes a single business segment and accordingly disclosure requirements of Accounting Standard 17, "Segment Reporting", specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 in relation to primary segment are not required to be given. All the business activities of the Company are primarily conducted from locations in India. Therefore, all the revenue and net assets are attributed to Indian operations. Accordingly, no additional disclosure for secondary segment reporting on the basis of geographical operations has been made in the financial results.

6 The figures for the quarter ended 31 March 2016 and 31 March 2015 are the balancing figures between audited figures in respect of the full financial year and the year-to-date published figures upto the period ended 31 December 2015 and 31 December 2014 respectively.

7 Previous year figures have been regrouped / recast, wherever necessary to confirm to current year classification.

For and on behalf of
the Board of Directors

(Eiichi Seto)
Managing Director & CEO

B S R & Associates LLP
Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2358 610
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Independent Auditor's Report
To the Members of SML Isuzu Limited

Report on the Financial Statements

We have audited the accompanying financial statements of SML Isuzu Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) 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, 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 financial statements – Refer Note 27 to the financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration number: 116231W/W-100024

Manish Gupta
Partner
Membership number: 095037

Place: New Delhi
Date: 10 May 2016

Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory, except materials-in-transit and stock lying with third parties, has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.

(iii) According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits covered under Section 73 to 76 of the Act.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried out by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues were in arrears as on 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. Further, according to information and explanations given to us, except as stated below, there are no dues of income-tax, sales tax, service tax, duty of excise and value added tax which have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount disputed Rs. Lakhs	Amount deposited Rs. Lakhs	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	4.25 (includes penalty Rs. 2.12 lakhs)	2.13	Apr 2000 to Mar 2004	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service tax	5.70 (includes penalty Rs. 2.85 lakhs)	Nil	2005-2006	Commissioner (Appeals)
Finance Act,1994	Service tax	5.70 (includes penalty Rs. 2.85 lakhs)	Nil	2005-2006	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Excise duty	3.19 (includes penalty Rs 0.30 lakhs)	Nil	Jan 2004 to Sep 2004	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Excise duty	1.94	Nil	Oct 2004 to Mar 2005	The Supreme Court
Central Excise Act, 1944	Excise duty	1.89	Nil	Oct 2006 to Jun 2008	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Excise duty	5.79 (includes penalty Rs 2.90 lakhs)	Nil	Apr 2005 to Jan 2006	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act,1994	Service tax	4.26 (includes penalty Rs 2.13 lacs)	Nil	Apr 2006 to Dec 2008	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act,1994	Service tax	3.36	Nil	Apr 2006 to Dec 2008	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act,1994	Service tax	1.15	Nil	Jun 2009 to Mar 2011	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	3.62 (includes penalty Rs 1.81 lakhs)	Nil	Apr 2008 to Jun 2009	Customs Excise and Service Tax Appellate Tribunal (CESTAT)

Name of the statute	Nature of dues	Amount disputed Rs. Lakhs	Amount deposited Rs. Lakhs	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	4.05 (includes penalty Rs 1.83 lakhs)	Nil	Apr 2010 to Sep 2011	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Excise duty	25.00	Nil	Dec 2008 to Jul 2009	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Excise duty	300.00	Nil	Apr 2005 to Nov 2009	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service tax	8.66	Nil	Oct 2009 to Sep 2010	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
	Sub total	**378.56**	**2.13**		
Central Sales Tax Act, 1956	Sales tax	218.23	87.30	Apr 2000 to Sep 2000	Sales Tax Appellate Tribunal, Chandigarh.
Punjab VAT Act, 2005	Value added tax	1.57	0.39	Aug 2007	Deputy Excise and Taxation Commissioner cum Joint Director Enforcement, Patiala.
U P Trade Tax Act, 1948	Sales tax	15.94	7.20	1993-1994	Additional Commissioner (Appeals), Lucknow
Punjab VAT Act, 2005	Value added tax	67.76	67.76	2009-2010	Excise and Taxation Officer cum Designated Offier
Gujarat Sales Tax Act	Sales tax	161.68	Nil	2008-2009	Joint Commercial Tax Commissioner (Appeals)
U P Trade Tax Act, 1948	Sales tax	5.80	0.87	2005-2006	Assistant Commissioner grade-II
Kerala Value Added Tax Rules, 2005	Value added tax	93.40	28.02	2011-2012	Assistant Commissioner Special Circle- Trivandrum
Maharastra Value Added Tax Act-2002	Value added tax	84.49	45.26	2008-2009	Joint Commercial Tax Commissioner (Appeals)
Kerala Value Added Tax Rules, 2005	Value added tax	1.42	0.43	2010-2011	Assistant Commissioner Special Circle- Trivandrum
Kerala Value Added Tax Rules, 2005	Value added tax	2.56	0.76	2011-2012	Assistant Commissioner Special Circle- Trivandrum
Patna Sales Tax Tribunal	Sales tax	2.36	0.45	2012-2013	Patna sales tax tribunal
	Sub total	**655.21**	**238.44**		

Name of the statute	Nature of dues	Amount disputed Rs. Lakhs	Amount deposited Rs. Lakhs	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	101.55	88.61	FY 2004-05	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	94.79	94.79	FY 2005-06	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	137.10	137.10	FY 2006-07	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	50.88	50.88	FY 2005-06	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	476.33	476.33	FY 2007-08	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	42.41	Nil	FY 2008-09	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	82.82	82.82	FY 2006-07	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	39.30	Nil	FY 2009-10	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	54.64	Nil	FY 2010-11	Commissioner of Income-tax (appeals)
Income-tax Act, 1961	Income-tax	31.86	15.44	FY 2011-12	Commissioner of Income-tax (appeals)
	Sub total	**1,111.68**	**945.97**		

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. Further, according to the information and explanations given to us, the Company did not have any outstanding dues to any financial institutions, government or debenture holders during the year.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(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, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration number: 116231W/W-100024

Manish Gupta
Partner
Membership number: 095037

Place: New Delhi
Date: 10 May 2016

Annexure - B to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SML Isuzu Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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.

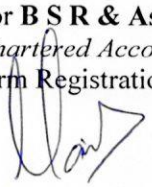
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting 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.

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration number: 116231W/W-100024



Manish Gupta
Partner
Membership number: 095037

Place: New Delhi
Date: 10 May 2016

Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

FORM A (for audit report with unmodified opinion)

1	Name of the Company	SML Isuzu Limited (CIN No. L50101PB1983PLC005516)
2	Annual financial statements for the year ended	31 March 2016
3	Type of Audit observation	Un-modified
4	Frequency of observation	Not Applicable

Eiichi Seto
Managing Director & CEO

Gopal Bansal
Whole-time Director & CFO

P.K.Nanda
Audit Committee Chairman

For **B S R & Associates LLP**
Chartered Accountants
Firm registration no.116231W/W-100024

Manish Gupta
Partner
Membership No 095037