SML/SEC/EXCH
10 August 2017

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

Dear Sir,

**Outcome of Board Meeting**

This is to inform you that the Board of Directors of the Company at the Meeting held today i.e 10 August 2017(Thursday), at New Delhi have approved the Unaudited Financial Results for the 1st quarter & three months ended 30 June, 2017. Copy of the Unaudited Financial Results along with Limited Review Report from the Company's Statutory Auditors enclosed herewith.

**Annual General Meeting and Book Closure**

The 33rd Annual General Meeting of the Members of the Company will be held on Friday, 22nd September, 2017.

The Register of Members and Share Transfer books of the Company will be closed from 16th September, 2017 to 22nd September, 2017 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend. The dividend will be paid / dispatched within 30 days from the date of approval of the shareholders in the ensuing 33rd Annual General Meeting.

A copy of Press Release being issued by the Company is also attached.

The Board meeting commenced at 11.00 A.M. and concluded at 5:15 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
T +91 172 2647700-10 F +91 172 2615111
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

# 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 2017

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

| S.No. | Particulars | Unaudited | |
|---|---|---|---|
| | | Quarter Ended | |
| | | 30.06.2017 | 30.06.2016 |
| 1 | **INCOME** | | |
| | a) Revenue from operations (including excise duty) | 357.54 | 515.14 |
| | b) Other income | 0.44 | 0.96 |
| | **Total Income (1)** | **357.98** | **516.10** |
| 2 | **EXPENSES** | | |
| | a) Cost of materials consumed | 223.02 | 277.11 |
| | b) Purchase of stock-in-trade | 15.03 | 10.71 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (4.66) | 52.42 |
| | d) Excise duty on sales | 39.09 | 52.77 |
| | e) Employee benefits expense | 37.31 | 34.46 |
| | f) Finance Cost | 2.20 | 1.84 |
| | g) Depreciation and amortisation expense | 6.98 | 5.87 |
| | h) Other expenses | 29.49 | 25.49 |
| | **Total Expenses (2)** | **348.46** | **460.67** |
| 3 | **Profit before exceptional items and tax (1-2)** | **9.52** | **55.43** |
| 4 | Exceptional Items | - | - |
| 5 | **Profit before tax (3-4)** | **9.52** | **55.43** |
| 6 | Tax expense | | |
| | - Current Tax | 2.92 | 17.06 |
| | - Deferred Tax | (0.15) | (2.49) |
| 7 | **Profit for the period (5-6)** | **6.75** | **40.86** |
| 8 | **Other Comprehensive Income / (Expense) (net of tax)** | | |
| | Items that will not be reclassified to Profit & loss | | |
| | - Remeasurements of defined benefit plans (net of tax effect) | 0.23 | 0.30 |
| | Items that will be reclassified to Profit & loss | | |
| | - Effective portion of gains/ (losses) on hedging instruments in cash flow hedges (net of tax effect) | (0.77) | - |
| 9 | **Total Comprehensive income for the period (7+8) (comprising Profit and Other Comprehensive income for the period)** | **6.21** | **41.16** |
| 10 | **Basic and diluted earnings per share on Net Profit after tax (Rupees)** | **4.67** | **28.24** |
| 11 | Paid-up equity share capital (Face value Rs. 10/- per share) | 14.48 | 14.48 |

**Notes :**

1 The Company adopted Indian Accounting Standards (Ind-AS) from 01 April 2017 with the transition date of 01 April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind-AS) 34-Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter ended 30 June 2016 has been restated to make them comparable. Reconciliation of net profit as reported under erstwhile IGAAP and as restated now under Ind-AS is as under:

**Rs. Crores**

| Particulars | Quarter ended 30 June 2016 (unaudited) |
|---|---|
| **Net profit as reported earlier under erstwhile IGAAP** | **41.12** |
| (i) classification of actuarial gain to OCI | (0.20) |
| (ii) classification of expected return on plan assets to OCI | (0.26) |
| (iii) accounting for embedded leases in accordance with Ind-AS 17 * | 0.04 |
| (iv) accounting for discounting of long term provision in accordance with Ind AS 37 | 0.01 |
| (v) consequential tax adjustment | 0.15 |
| **Net profit now reported under Ind-AS** | **40.86** |

*Represents consequential change in accounting for embedded leases in relation to toolings which have been taken on finance lease by the Company.

2 The Company operates in the commercial vehicle segment which includes all activities in relation to development, design, manufacture, assembly and sale and related parts and accessories. In accordance with Ind-AS 108 'Operating Segment', the Company's Chief Operating Decision Maker reviews the performance of the Company as a whole for the purposes of making decision about allocation of resources and hence there is no separate reportable segment as per the requirements of Ind-AS 108.

3 The above unaudited results were reviewed by the Audit Committee on 9 August 2017 and approved by the Board of Directors at its meeting held on 10 August 2017. 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 and National Stock Exchange. For more details on unaudited results, visit 'disclosure section' of our website at www.smlisuzu.com and Financial Results at Corporates section of www.nseindia.com and www.bseindia.com.

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

(Eiichi Seto)
Managing Director & CEO
DIN: 02704734

# B S R & Associates LLP

Chartered Accountants

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

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613


**Review report to the Board of Directors of SML Isuzu Limited**

1. We have reviewed the accompanying Statement of unaudited financial results ("the financial results") of SML Isuzu Limited ('the Company') for the quarter ended 30 June 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements ) Regulations, 2015. These financials results are the responsibility of the Company's management and have been approved by the Board of Directors at its meeting held on 10 August 2017. Our responsibility is to issue a report on these financial results based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (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 financial results are 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.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying unaudited financial results, prepared in accordance with applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 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 and SEBI Circular dated 05 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For* **B S R & Associates LLP**
*Chartered Accountants*
ICAI Firm Registration No.: 116231W/ W-100024

**Rajesh Arora**
*Partner*
Membership No.: 076124

Place : Gurugram
Date : 10 August 2017

**SML ISUZU LIMITED**
(Formerly Swaraj Mazda Limited)

**PRESS RELEASE**
10th August, 2017

**SML ISUZU Q1 Results (April-June 2017)**

The Board of Directors of the Company in their meeting held today approved 1st quarter results April-June 2017.

Revenue inclusive of excise duty for the April-June, 2017 quarter reached Rs. 357.98 crores on a sales volume of 3140 against revenue of Rs. 516.10 crores (sales volume of 4893) for the corresponding quarter of previous fiscal.

Pre-buying of vehicles during the last quarter of fiscal 2016-17 on account of implementation of BS IV emission norms effective 1st April 2017 and postponement of buying by customers on the expectation of reduction in vehicle prices on implementation of GST has impacted demand for commercial vehicles in April-June 2017 quarter. During the quarter, Company sale was additionally impacted by lesser availability of vehicles on account of ban on sale of BS III vehicles resulting in BS III vehicles in Company Stock (as on 31st March, 2017) becoming non saleable and lower production due to shortage of components required for BS IV engines and some other components.

Drop in sales volume (3140 vehicles against 4893) has led to lower revenue and profitability. **For first quarter April-June, 2017,** SML Isuzu earned **Profit Before Tax** of Rs. 9.52 crores against Rs. 55.43 crores earned for the corresponding quarter. **Profit after tax** for the quarter has been Rs. 6.75 crores against Rs. 40.86 crores for the corresponding quarter.