

SML/SEC/EXCH
23rd May, 2018

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, 5th Floor, Plot no. C/1, G Block Bandra- Kurla Complex Bandra (E) Mumbai - 400051 Scrip Code: SMLISUZU
--	---

Dear Sir,

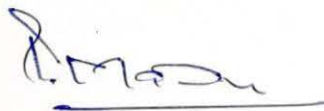
Outcome of Board Meeting –Regulation 30 of SEBI (LODR), 2015

This is to inform you that the Board of Directors of the Company at the Meeting held today 23rd May 2018 (Wednesday) at New Delhi have:

1. Approved the Audited Financial Results for the quarter & year ended 31st March, 2018. Copy of the Audited Financial Results along with Auditors' Report with unmodified opinion enclosed herewith.

A declaration pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015, regarding unmodified opinion of the Statutory Auditors on the annual financial results for the financial year ended 31st March, 2018 is enclosed herewith.

2. Recommended a dividend of Rs. 1.50 per equity share for the financial year ended 31st March 2018. The dividend will be paid / dispatched within 30 days from the date of approval of the shareholders at the ensuing 34th Annual General Meeting.
3. Approved the resignation received from **Mr. Takahiro Imai, Director – R&D (Isuzu Products & Projects)** (DIN No.- 07796387), with effect from 28th April, 2018. However, he will continue as a Non-Executive Director on the Board of the Company. (communicated to stock exchanges vide letter dated 26th April 2018)
4. Approved the resignation received from **Mr. Eiichi Seto as Managing Director & CEO** (DIN No. 02704734) **with effect from 10th August, 2018**. However, he will continue as a Non-Executive Director on the Board of the Company.

**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

Trucks & Buses

5. Approved the appointment of **Mr. Yugo Hashimoto** as an Additional Director on the Board of the Company **with effect from 10th August, 2018**, subject to issue of DIN by the Ministry of Corporate Affairs (MCA) Govt. of India. The Board has also approved his appointment as **Managing Director & CEO** of the Company **with effect from 10th August 2018** for a period of five years subject to the approval of shareholders at the ensuing Annual General Meeting of the Company and Central Government, if required. Profile of Mr. Yugo Hashimoto is enclosed as **Annexure I**.
6. Approved amendments to Memorandum of Association (MOA) of the Company and adoption of new Articles of Association (AOA) of the Company basically to align it with the Companies Act, 2013, amended from time to time, subject to the approval of the shareholders of the Company at the ensuing 34th Annual General Meeting.

Annual General Meeting and Book Closure

The 34th Annual General Meeting of the Members of the Company will be held on 9th August, 2018 (Thursday).

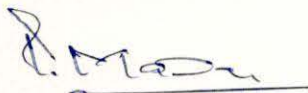
The Register of Members and Share Transfer books of the Company will be closed from **3rd August, 2018 to 9th August, 2018 (both days inclusive)** for the purpose of Annual General Meeting and payment of dividend.

The Board meeting commenced at 11.00 A.M. and concluded 4:00 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

Profile of Mr. Yugo Hashimoto

Mr. Yugo Hashimoto is a graduate from Waseda University, Japan. He joined Sumitomo Corporation, Japan in April, 1984 and since then has held several positions in various departments including Automotive Business & Motor Vehicles Dept. Before moving to India, he was President of Sumitomo Corporation de Mexico and President of Japanese Chamber of Commerce in Mexico. He has 34 years of rich experience in the areas of Automotive Business & Motor Vehicles Dept.

He is joining at Senior Management level in SML Isuzu Limited with effect from today i.e. 23rd May 2018.

Mr. Yugo Hashimoto is not related to any of the Directors of the Company.



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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

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

S.No.		Quarter Ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited (Refer note 6)	Unaudited	Audited (Refer note 6)	Audited	
1	INCOME					
	a) Revenue from operations	368.08	221.45	409.59	1,174.14	1,516.19
	b) Other income	1.78	0.66	0.09	3.11	4.15
	Total Income (1)	369.86	222.11	409.68	1177.25	1,520.34
2	EXPENSES					
	a) Cost of materials consumed	274.56	194.65	237.09	851.48	919.41
	b) Purchase of stock-in-trade	13.98	13.17	14.72	53.27	47.61
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13.48)	(43.88)	27.75	(64.36)	33.99
	d) Excise duty on sales	-	-	43.75	39.09	160.02
	e) Employee benefits expense (refer note 5)	36.91	35.99	36.49	146.12	140.25
	f) Finance Cost	1.30	4.07	0.10	10.52	6.18
	g) Depreciation and amortisation expense	6.85	7.51	6.19	28.40	23.82
	h) Other expenses	31.80	23.35	31.66	103.27	104.91
	Total Expenses (2)	351.92	234.86	397.75	1167.79	1,436.19
3	Profit / (Loss) before exceptional items and tax (1-2)	17.94	(12.75)	11.93	9.46	84.15
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax (3-4)	17.94	(12.75)	11.93	9.46	84.15
6	Tax expense					
	- Current Tax	4.35	(2.45)	3.14	3.27	21.85
	- Deferred Tax	(1.28)	(0.54)	(0.71)	(2.31)	(0.71)
7	Profit / (Loss) for the period (5-6)	14.87	(9.76)	9.50	8.50	63.01
8	Other Comprehensive Income (net of tax)					
	Items that will not be reclassified to Profit or loss					
	- Remeasurements of defined benefit plans	(0.36)	0.31	0.03	0.57	0.54
	Items that will be reclassified to Profit or loss					
	- Effective portion of gains / (losses) on hedging instruments in cash flow hedges	0.16	0.68	(0.28)	(0.88)	(0.28)
9	Total Comprehensive income for the period (7+8) (comprising Profit/(Loss) and Other Comprehensive income for the period)	14.67	(8.77)	9.25	8.19	63.27
10	Basic and diluted earnings per share (Rupees)	10.27	(6.74)	6.57	5.87	43.54
11	Paid-up equity share capital (Face value Rs. 10/- per share)	14.48	14.48	14.48	14.48	14.48
12	Other equity	-	-	-	383.58	389.32

Statement of Assets and Liabilities as at 31 March 2018

(Rs. Crores)

	Particulars	Audited	
		31.03.2018	31.03.2017
A.	ASSETS		
1	Non-current assets		
	Property, plant and equipment	352.86	208.49
	Capital work-in-progress	27.05	78.17
	Other intangible assets	12.17	6.87
	Intangible assets under development	7.81	-
	Financial assets		
	- Loans	3.26	2.38
	- Other financial assets	1.57	0.91
	Income tax assets (net)	7.56	5.22
	Other non-current assets	18.11	33.25
	Sub total-Non current assets (A)	430.39	335.29
2	Current assets		
	Inventories	363.78	294.58
	Financial assets		
	- Trade receivables	117.28	114.76
	- Cash and cash equivalents	19.96	5.38
	- Bank balances other than Cash and cash equivalents above	2.00	2.25
	- Loans	1.06	0.70
	- Other financial assets	1.00	0.61
	Other current assets	51.19	31.78
	Sub total current assets (B)	556.27	450.06
	Total (A+B)	986.66	785.35
B.	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	14.48	14.48
	Other equity	383.58	389.32
	Sub total-Equity (A)	398.06	403.80
2	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	- Borrowings	118.49	35.01
	- Other financial liabilities	11.57	11.89
	Provisions	45.62	46.75
	Deferred tax liabilities (net)	2.78	5.24
	Other non-current liabilities	2.45	1.98
	Sub total-Non current liabilities (B)	180.91	100.87
	Current liabilities		
	Financial liabilities		
	- Borrowings	70.00	5.11
	- Trade payables	211.82	190.71
	- Other financial liabilities	69.29	27.29
	Provisions	16.74	16.05
	Current tax liabilities (net)	3.36	3.38
	Other current liabilities	36.48	38.14
	Sub total- Current liabilities (C)	407.69	280.68
	Total (A+B+C)	986.66	785.35



Notes :

- 1 The Company adopted Indian Accounting Standards (Ind-AS) from 1 April 2017 with the transition date of 1 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) prescribed under section 133 of the Companies Act, 2013. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter and year ended 31 March 2017 has been restated to make them comparable. Reconciliation of net profit and equity as reported under erstwhile IGAAP and as restated now under Ind-AS is as under:

Particulars	Rs. Crores		
	Equity as at	Quarter	Year
	31 March 2017	ended 31 March 2017	
		Audited	
Reported earlier under erstwhile IGAAP	388.04	8.85	62.81
(i) classification of actuarial loss to OCI	-	(0.80)	(0.75)
(ii) classification of expected return on plan assets to OCI	-	0.77	(0.06)
(iii) accounting for embedded leases in accordance with Ind-AS 17 *	0.52	0.26	0.38
(iv) accounting for discounting of long term provision in accordance with Ind AS 37	0.43	(0.02)	(0.05)
(v) consequential tax adjustment	0.33	0.44	0.68
Net profit now reported under Ind-AS	389.32	9.50	63.01

* 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 including related parts and accessories. In accordance with Ind-AS 108 'Operating Segment', the Company's Chief Operating Decision Maker evaluates 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 Revenue from operations, computed in accordance with Ind AS 18 'Revenue', for the current period is not comparable with previous period since the same is net of Goods and Service Tax (GST) whereas excise duty form part of expenses in previous periods. The comparative revenue from operations of the company is given below:

	Rs. Crores			
	Quarter Ended		Full year ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018
	Audited (Refer note 6)	Unaudited	Audited (Refer note 6)	Audited
Revenue from operations (as reported)	368.08	221.45	409.59	1,174.14
Less: Excise duty on sales	-	-	43.75	39.09
Revenue from operations (net of excise duty)	368.08	221.45	365.84	1,135.05

- 4 The above audited results were reviewed by the Audit Committee on 22 May 2018 and approved by the Board of Directors at its meeting held on 23 May 2018. The above results for the year ended have been audited by the Statutory Auditors of the Company. The unmodified audit report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details on audited 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.
- 5 Employee benefits expense includes an amount of Rs. 0.44 crores paid in excess of the prescribed limits as Minimum Remuneration in terms of the provisions of the Companies Act 2013 and is subject to shareholders approval.
- 6 The figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year, as reported in these financial results, are the balancing figures between audited figures in respect of the full financial year 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. Further, previous period figures have been regrouped/reclassified to confirm to the current year classification.
- 7 The board has proposed a dividend of Rs. 1.50 per equity share of Rs. 10 each fully paid up amounting to Rs. 2.62 crores (including dividend distribution tax), subject to approval by the shareholders at the ensuing Annual General Meeting.

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

Independent Auditor's Report on the Statement of Audited Financial Results of SML Isuzu Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
SML Isuzu Limited

1. We have audited the accompanying annual financial results of **SML Isuzu Limited** ('the Company') for the year ended 31 March 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



B S R & Associates LLP

4. In our opinion and to the best of our information and according to the explanations given to us, these financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

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



Rajesh Arora
Partner
Membership No: 076124

Place: New Delhi
Date: 23 May 2018

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

INDEPENDENT AUDITOR'S REPORT

To the Members of SML Isuzu Limited

1. Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of SML Isuzu Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Ind AS 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 of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

19/

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 2018, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

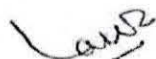
- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) As required by Section 143(3) of the Act, we 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.



B S R & Associates LLP

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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 Ind AS financial statements. Refer Note 32 to the Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 16 B to the Ind AS financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited financial statements for the period ended 31 March 2017 have been disclosed.

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



Rajesh Arora
Partner
Membership No. 076124

Place: New Delhi
Date: 23 May 2018

Annexure 'A' referred to in paragraph 5(i) of the Independent Auditors' Report to the Members of SML Isuzu Limited on the Ind AS financial statement for the year ended 31 March 2018, 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 all 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 stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancy noted on verification between physical stock and book records were not material and have been properly dealt with in the books of account. 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, there are no companies, firms, limited liability partnerships or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, 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 or other provisions of the Act and rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured/ Services rendered 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, Goods and Service Tax ('GST'), Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material 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, GST, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory



dues were in arrears as at 31 March 2018 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, Income-Tax, GST, Sales Tax, Service Tax, Duty of Excise and Value Added Tax which have not been deposited by the Company on account of disputes except as mentioned below:

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)
Central Excise Act, 1944	Excise duty	1.94	Nil	Oct 2004 to Mar 2005	The Supreme Court of India
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	1.89	Nil	Oct 2006 to Jun 2008	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)
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)
Finance Act, 1994	Service tax	1.15	Nil	Jun 2009 to Mar 2011	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	25.00	Nil	Dec 2008 to Jul 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)

509

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)
	Subtotal (A)	69.58	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
U P Trade Tax Act, 1948	Sales tax	5.80	0.87	2005-2006	Assistant Commissioner grade-II
Gujarat Sales Tax Act	Sales tax	161.68	Nil	2008-2009	Joint Commercial Tax Commissioner (Appeals)
The West Bengal Value added Tax Rules 2005	Value added tax	5.80	Nil	2008-2009	Assistant Officer Sales tax
The West Bengal Value added Tax Rules 2005	Value added tax	8.51	Nil	2009-2010	W.B.C.T. Appellate & Revisional Board
The West Bengal Value added Tax Rules 2005	Sales tax	5.70	Nil	2009-2010	W.B.C.T. Appellate & Revisional Board
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	93.40	28.02	2011-2012	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
The West Bengal Value added Tax Rules 2005	Entry tax	1.13	Nil	2012-2013	W.B.C.T. Appellate & Revisional Board, bench- VI



B S R & Associates LLP

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 Sales Tax Act, 1956	Sales tax	3.17	Nil	2012-2013	Sr. JCCT / LTO- W.B.
U P Trade Tax Act, 1948	Sales tax	6.88	4.98	2016-2017	Assistant Commissioner Ghaziabad
A P VAT Act 2005	Value added tax	3.55	0.44	2016-2017	Assistant officer and Deputy Commercial Tax officer Vijayawada
A P VAT Act 2005	Value added tax	210.25	26.28	2013-2014 to 2015-2016	The Appellate Joint Commissioner
	Subtotal (B)	745.59	156.67		
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	55.94	Nil	FY 2010-11	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	31.86	15.44	FY 2011-12	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	146.00	Nil	FY 2007-08	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	55.75	Nil	FY 2012-13	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	34.16	Nil	FY 2013-14	Commissioner of Income-tax (appeals)
Income-tax Act, 1961	Income-tax	189.58	25.00	FY 2014-15	Commissioner of Income-tax (appeals)
	Subtotal (C)	1,538.47	970.97		
	Total (A+B+C)	2,353.64	1,129.77		

209

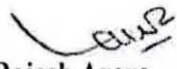
B S R & Associates LLP

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. Further, 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 term loan taken by the Company has been applied for the purposes for which it was raised. However, pending utilization of term loan, the funds amounting to Rs. 1,135 lakhs were temporarily invested in fixed deposits. Also, refer to note 10 to the financial statements. According to the information and explanation given to us, the Company has not raised any money by way of initial public offer (including debt instruments) or further public offer during the year.
- (x) According to the information and explanations given to us, no significant fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit for the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in excess of amounts as laid down under the provisions of Section 197 read with Schedule V to the Act to its Managing Director & CEO and Whole-time Director & CFO. As informed to us, approval from shareholders will be sought in the ensuing Annual General Meeting ('AGM') and if the shareholder approval is not received then the excess amount will be recovered by the Company from such directors, as also confirmed by the respective directors.
- (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 Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given 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. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- (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 them. 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


Rajesh Arora

Partner

Membership number: 076124

Place: New Delhi
Date: 23 May 2018

Annexure B referred to in paragraph 5 (ii)(f) of the Independent Auditor's Report of even date to the Members of SML Isuzu Limited being 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 statements with reference to financial statements of SML Isuzu Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS 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 statement 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial statements with reference to financial statements 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 Act, 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 with reference to financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 statements.

Wes

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial statements and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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.

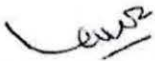
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to the Ind AS financial statements and such internal financial controls with reference to the Ind AS financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements 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.

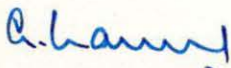
For B S R & Associates. LLP
Chartered Accountants
Firm registration no.: 116231 W/ W-100024


Rajesh Arora
Partner
Membership No.: 076124

Place: New Delhi
Date: 23 May 2018

Declaration pursuant to Regulation 33(3)(d) of the Listing Regulations (as amended)

I, Gopal Bansal, Whole-time Director & Chief Financial Officer, hereby declare that the Statutory Auditors of the Company, B S R & Associates LLP (Registration no. 116231W/W-100024) have issued unmodified opinion on Annual Audited Financial Results of the Company, for the Financial Year ended 31st March, 2018, which have been approved by the Board of Directors of the Company at their meeting held today i.e May 23, 2018.

A handwritten signature in blue ink, appearing to read 'G. Bansal'.

(GOPAL BANSAL)
Whole-time Director &
Chief Financial Officer

23.05.2018