

# SML ISUZU LIMITED

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

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## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

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

S.No.	Particulars	Unaudited				
		Quarter Ended			Half Year Ended	
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
<b>1</b>	<b>INCOME</b>					
	a) Revenue from operations (including excise duty)	227.07	357.54	337.41	584.61	852.55
	b) Other income	0.23	0.44	1.51	0.67	2.47
	<b>Total Income (1)</b>	<b>227.30</b>	<b>357.98</b>	<b>338.92</b>	<b>585.28</b>	<b>855.02</b>
<b>2</b>	<b>EXPENSES</b>					
	a) Cost of materials consumed	159.25	223.02	183.61	382.27	460.72
	b) Purchase of stock-in-trade	11.09	15.03	11.81	26.12	22.52
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2.34)	(4.66)	27.25	(7.00)	79.67
	d) Excise duty on sales	-	39.09	36.04	39.09	88.81
	e) Employee benefits expense	35.91	37.31	34.96	73.22	69.42
	f) Finance Cost	2.95	2.20	1.99	5.15	3.83
	g) Depreciation and amortisation expense	7.06	6.98	5.65	14.04	11.52
	h) Other expenses	18.63	29.49	24.42	48.12	49.91
	<b>Total Expenses (2)</b>	<b>232.55</b>	<b>348.46</b>	<b>325.73</b>	<b>581.01</b>	<b>786.40</b>
<b>3</b>	<b>Profit / (Loss) before exceptional items and tax (1-2)</b>	<b>(5.25)</b>	<b>9.52</b>	<b>13.19</b>	<b>4.27</b>	<b>68.62</b>
4	Exceptional Items	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before tax (3-4)</b>	<b>(5.25)</b>	<b>9.52</b>	<b>13.19</b>	<b>4.27</b>	<b>68.62</b>
6	Tax expense					
	- Current Tax	(1.55)	2.92	1.72	1.37	18.78
	- Deferred Tax	(0.34)	(0.15)	1.78	(0.49)	(0.71)
<b>7</b>	<b>Profit / (Loss) for the period (5-6)</b>	<b>(3.36)</b>	<b>6.75</b>	<b>9.69</b>	<b>3.39</b>	<b>50.55</b>
<b>8</b>	<b>Other Comprehensive Income / (Expense) (net of tax)</b>					
	Items that will not be reclassified to Profit & loss					
	- Remeasurements of defined benefit plans (net of tax effect)	0.39	0.23	0.02	0.62	0.32
	Items that will be reclassified to Profit & loss					
	- Effective portion of gains / (losses) on hedging instruments in cash flow hedges (net of tax effect)	(0.95)	(0.77)	-	(1.72)	-
<b>9</b>	<b>Total Comprehensive income for the period (7+8) (comprising Profit / (Loss) and Other Comprehensive income for the period)</b>	<b>(3.92)</b>	<b>6.21</b>	<b>9.71</b>	<b>2.29</b>	<b>50.87</b>
<b>10</b>	<b>Basic and diluted earnings per share on Net Profit after tax (Rupees)</b>	<b>(2.33)</b>	<b>4.67</b>	<b>6.69</b>	<b>2.34</b>	<b>34.93</b>
11	Paid-up equity share capital (Face value Rs. 10/- per share)	14.48	14.48	14.48	14.48	14.48

**Statement of Assets and Liabilities as at 30 September 2017**

(Rs. Crores)

	Particulars	Unaudited
		30.09.2017
<b>A.</b>	<b>ASSETS</b>	
<b>1</b>	<b>Non-current assets</b>	
	Property, plant and equipment	234.90
	Capital work in progress	89.82
	Other intangible assets	8.50
	Intangible assets under development	11.21
	Financial assets	
	- Loans	2.86
	- Other financial assets	1.12
	Income tax assets (net)	7.76
	Other non-current assets	46.35
	<b>Sub total-Non current assets (A)</b>	<b>402.52</b>
<b>2</b>	<b>Current assets</b>	
	Inventories	302.23
	Financial assets	
	- Trade receivables	75.34
	- Cash and cash equivalents	8.36
	- Bank balances other than Cash and Cash equivalents above	2.75
	- Loans	1.17
	- Other financial assets	0.26
	Other current assets	61.95
	<b>Sub total current assets (B)</b>	<b>452.06</b>
	<b>Total (A+B)</b>	<b>854.58</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>	
<b>1</b>	<b>Equity</b>	
	Equity share capital	14.48
	Other equity	375.79
	<b>Sub total-Equity (A)</b>	<b>390.27</b>
<b>2</b>	<b>Liabilities</b>	
	<b>Non-current liabilities</b>	
	Financial liabilities	
	- Borrowings	93.97
	- Other financial liabilities	11.77
	Provisions	44.71
	Other non-current liabilities	2.19
	Deferred tax liability (net)	5.87
	<b>Sub total-Non current liabilities (B)</b>	<b>158.51</b>
	<b>Current liabilities</b>	
	Financial liabilities	
	- Borrowings	64.75
	- Trade payables	149.93
	- Other financial liabilities	52.51
	- Derivatives	3.26
	Provisions	16.98
	Income tax liabilities (net)	3.36
	Other current liabilities	15.01
	<b>Sub total- Current liabilities (C)</b>	<b>305.80</b>
	<b>Total (A+B+C)</b>	<b>854.58</b>

**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 and half year ended 30 September 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:

Particulars	Rs. Crores	
	Quarter	Half year
	ended 30 September 2016	
	Unaudited	
<b>Net profit as reported earlier under erstwhile IGAAP</b>	<b>9.69</b>	<b>50.81</b>
(i) classification of actuarial loss to OCI	0.23	0.03
(ii) classification of expected return on plan assets to OCI	(0.26)	(0.52)
(iii) accounting for embedded leases in accordance with Ind-AS 17 *	0.06	0.10
(iv) accounting for discounting of long term provision in accordance with Ind AS 37	(0.03)	(0.02)
(v) consequential tax adjustment	-	0.15
<b>Net profit now reported under Ind-AS</b>	<b>9.69</b>	<b>50.55</b>

\*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 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 Revenue from operations 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:

Particulars	Rs. Crores				
	Unaudited				
	Quarter Ended			Half Year Ended	
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
Revenue from operations (as reported )	227.07	357.54	337.41	584.61	852.55
Less: Excise duty on sales	-	39.09	36.04	39.09	88.81
Revenue from operations (net of excise duty )	227.07	318.45	301.37	545.52	763.74

- 4 The above unaudited results were reviewed by the Audit Committee on 09 November 2017 and approved by the Board of Directors at its meeting held on 10 November 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](http://www.smlisuzu.com) and Financial Results at Corporates section of [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://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

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## Review report 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 and half year ended 30 September 2017, attached herewith, 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 November 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 Company's 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  
Firm Registration No.: 116231W/ W-100024



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

Place: Gurugram  
Date: 10 November 2017