SML/SEC/2020
15th June, 2020

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

Sub: Regulation 30 (Disclosure of events or information) - Securities and Exchange Boardof India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, the brief details relating to the impact of Covid-19 pandemic on the operations/business of the Company are mentioned in ***Annexure I***.

Kindly acknowledge the receipt.

Yours faithfully
For SML ISUZU LIMITED

(PARVESH MADAN)
Company Secretary & Compliance Officer
pmadan@smlisuzu.com
ACS-31266

Disclosure of impact of Covid-19 on SML ISUZU LIMITED

Sr. No.	Particulars	Information
1	Impact of the Covid-19 pandemic on the business	• The Commercial Vehicle (CV) industry which was already under pressure due to the economic slowdown, revised axle norms, BS-VI implementation, etc.is now facing another challenge ofCovid-19 outbreak. • Due to complete lockdown announced by the Central Government / Government of Punjab, the operations of the Company were temporarily shut down from 23rd March, 2020 till 3rd May, 2020, thereby impacting the business. • For April – May 2020, sales volume were 16 against 3068 for the corresponding period last year (in line with industry) • Demand in June 2020 also remain subdued so far. • Revenue and profitability for the quarter will be impacted in line with the fall in sales volume as explained above.
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down	• In compliance with the directions issued by Central / State Government, the Company suspended operations at its Manufacturing Plant situated at Punjab from 23rd March, 2020 till 3rd May 2020 to ensure safety of employees and their families. • The Company has adopted the 'Work from Home Policy' for its employees to minimize the risk and contain the spread of Covid-19.
3	Schedule, if any, for restarting the operations	• The Company restarted operations at its Manufacturing Plant with limited workforce with effect from 4th May, 2020 with approval of State Government. • The Company has prepared and implemented a "Restart Manual" to ensure health and safety of the employees during operations.

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4	Steps taken to ensure smooth functioning of operations		• As explained above, the Company has adopted the 'Work from Home Policy' for its employees to minimize the risk and contain the spread of Covid-19. • The Company is strictly adhering to the protocols defined by the Central / State Government - sanitization, social distancing norms, wearing of mask, thermal scanning at entrance gate, maintaining proper hygiene, etc. • SOP has been prepared and implemented to safe guard the employees and persons visiting the Plant / Offices such as drivers carrying material, suppliers, contractors, etc. • Efforts are on to maintain supply chain to meet the customers' need.
5	Estimation of the future impact of Covid-19 on its operations		Covid-19 has turned out a global pandemic with unprecedented challenges for the global community.Automotive industry including its channel partners are among the hardest hit. However, due to uncertainty associated with this pandemic, it is not possible to estimate the full impact of the situation for both near-term and longer-term. The Company is closely monitoring the situation and taking appropriate measures for the continuity of business activities along with safety of the employees.
6	Details of impact of CoVID-19 on the Company		
	a)	Capital and Financial Resources	• The Company's equity capital structure remains unchanged. • The Company has taken steps to ensure adequacy of financial resources.
	b)	Profitability	• Revenue and Profitability will definitely be impacted for Q4 (FY 2019-20) and Q1 (FY 2020-21) as explained above. However, the details of the same will be known after audit for the said period(s) is completed. • Notwithstanding this, the Company is exercising strict control over variable and fixed costs to mitigate the adverse impact to the extent possible.

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	c)	Liquidity Position	The Company is taking appropriate measures to ensure the availability of funds to run the operations.
	d)	Ability to service debt and other financing arrangements	The Company has so far been able to service its debt commitments.
	e)	Assets	The Company does not foresee any major financial impact on its assets.
	f)	Internal financial reporting and control	The Company continues to have adequate internal checks and balances with respect to financial control and reporting.
	g)	Supply Chain	Supply chain was disrupted due to the lockdown imposed in March 2020 and is gradually returning to normalcy based on state wise regulations. However, the suppliers' capacity utilization is restricted due to challenges faced by them in terms of working capital, manpower availability, limited working hours, and adherence to Covid-19 safety norms.
	h)	Demand for its Products/ Services	Demand for commercial vehicles has been impacted severely due to Covid-19 outbreak coupled with other factors such asincrease in pricesof commercial vehicles because of transition to BS-VI emission norms (effective 1st April, 2020) and overcapacity in the system due to revised axle norms. Demand for commercial vehicles is expected to remain subdued over the near term.
7	Existing contracts / agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business		The Company is taking necessary steps to fulfil its obligations in the existing contracts / arrangements.
8	Other relevant material updates about the listed entity's business		The Company is regularly updating the Stock Exchanges about material events.

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