SML/SEC/EXCH
21st July, 2020

Corporate Relationship Department BSE Limited, Mumbai	The Secretary, National Stock Exchange of India Ltd., Mumbai
Scrip Code: 505192	Scrip Code: SMLISUZU

Dear Sir,

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

This is to inform you that the Board of Directors of the Company at the Meeting held today i.e. 21st July, 2020 (Tuesday) have:

1. approved the Audited Financial Results for the Quarter & Year ended 31st March, 2020. A copy of the Audited Financial Results along with Statutory Auditors' Report with unmodified opinion are 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 Year ended 31st March, 2020 is enclosed herewith.

2. noted the resignation received from Mr. Kazuo Goda, Non-Executive Director (DIN 07572151), with effect from 30th June, 2020. (Communicated to Stock Exchanges vide letter dated 30th June, 2020).

3. approved the appointment of **Mr. Noboru Murakami**, as Additional Director of the Company on rotation basis (Category: Non-Executive Non-Independent Director) in place of Mr. Kazuo Goda, with effect from 21st July, 2020, subject to issue of DIN by the Ministry of Corporate Affairs (MCA), Government of India. Mr. Murakami will hold office upto the forthcoming Annual General Meeting of the Company.

   In this regard, we wish to confirm that Mr. Murakami is not disqualified / debarred from being appointed to the Office of a Director by virtue of any order of SEBI or any other regulatory authority. Profile of Mr. Noboru Murakami is enclosed as **Annexure I.**

4. recommended the appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No.: 001076N/N500013), as Statutory Auditors of the Company, as the term of existing auditors M/s B S R & Associates LLP will end at the conclusion of the forthcoming Annual General Meeting, in accordance with provisions of Section 139 of the Companies Act, 2013.

   Above recommendation will be placed before the Members for their approval at the forthcoming Annual General Meeting of the Company.

   The details of the Statutory Auditors are enclosed as **Annexure II**.

For SML ISUZU LIMITED

(PARVESH MADAN)
Company Secretary & Compliance Officer
ACS-31266

Annual General Meeting and Book Closure

The 36th Annual General Meeting of the Members of the Company will be held on 24th August, 2020 (Monday).

The Register of Members and Share Transfer books of the Company will be closed from 14th August, 2020 to 24th August, 2020 (both days inclusive) for the purpose of Annual General Meeting.

The Board meeting commenced at 2:30 P.M. and concluded at 5:45 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

Annexure-I

Profile of Mr. Noboru Murakami

Mr. Noboru Murakami is a graduate with Bachelor of Laws from Sophia University, Japan. He joined Isuzu Motors, Japan in April, 1995 and since then has held several positions in various departments including International Sales Department, Corporate Planning Department and Sales Planning Department. Currently, Mr. Murakami is a General Manager, International Sales Dept. No. 3 of Isuzu Motors Limited, Japan. He has 25 years of rich experience in the areas of International Sales & Corporate Planning.

Mr. Noboru Murakami is not related to any of the Directors of the Company.

For SML ISUZU LIMITED

(PARVESH MADAN)
Company Secretary &
Compliance Officer
ACS-31266

Annexure-II

Detail of Statutory Auditors - M/s Walker Chandiok & Co LLP

Reasons for change	Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Rules made thereunder, an audit firm can be appointed as statutory auditors for a maximum of 2 terms of 5 consecutive years. M/s. B S R & Associates LLP, the Statutory Auditors hold office until the conclusion of the 36th Annual General Meeting of the Company, scheduled to be held on 24th August, 2020, and are not eligible for re-appointment for another term as per Section 139 of the Companies Act, 2013. In this regard, the Board has recommended the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as the Statutory Auditors for approval of the Members at the forthcoming 36th Annual General Meeting of the Company.
Date of appointment and term of appointment	The appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors of the Company shall be for a period of 5 years i.e. from the conclusion of the 36th Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in the year 2025
Brief Profile of the auditors	M/s Walker Chandiok & Co LLP (Firm Registration No. 001076N/N500013), Chartered Accountants ("the Firm") is an independent Indian Partnership Firm established in 1935, with its head office at 1st floor, L-41 Connaught Circus, New Delhi 110 001. The Firm provides audit, tax and advisory services through its 47 partners and over 1300 staff from its 13 offices in 11 cities, namely, New Delhi, Mumbai, Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Noida, Pune and Kochi. The Firm is registered with the Institute of Chartered Accountants of India ("ICAI") as well as the PCAOB (US Public Company Accountancy Oversight Board).

For SML ISUZU LIMITED

(PARVESH MADAN)
Company Secretary &
Compliance Officer
ACS-31266

<u>Declaration pursuant to Regulation 33(3)(d) of the Listing Regulations (as amended)</u>

I, Gopal Bansal, Whole-time Director & Chief Financial Officer, hereby declare that the Statutory Auditors of the Company, M/s 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, 2020, which have been approved by the Board of Directors of the Company at their meeting held today i.e. 21st July, 2020.

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

21st July, 2020

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 2020

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

S.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited (Refer note 4)	Unaudited	Audited (Refer note 4)	Audited	
1	**INCOME**					
	a) Revenue from operations	272.17	176.52	429.60	1,154.16	1,409.22
	b) Other income	1.51	0.85	1.44	5.14	4.49
	Total Income (1)	**273.68**	**177.37**	**431.04**	**1159.30**	**1,413.71**
2	**EXPENSES**					
	a) Cost of materials consumed	201.35	112.72	364.19	683.18	1,058.22
	b) Purchase of stock-in-trade	14.86	16.30	19.54	59.93	66.01
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(8.07)	11.70	(70.40)	161.11	(62.88)
	d) Employee benefits expense	38.26	35.99	44.37	155.15	166.70
	e) Finance cost	2.73	3.50	4.47	14.63	16.10
	f) Depreciation and amortisation expense	10.67	9.89	9.54	40.72	38.44
	g) Other expenses	17.15	18.30	31.03	82.90	106.79
	Total Expenses (2)	**276.95**	**208.40**	**402.74**	**1197.62**	**1,389.38**
3	**Profit / (Loss) before exceptional items and tax (1-2)**	**(3.27)**	**(31.03)**	**28.30**	**(38.32)**	**24.33**
4	Exceptional items	-	-	-	-	-
5	**Profit / (Loss) before tax (3-4)**	**(3.27)**	**(31.03)**	**28.30**	**(38.32)**	**24.33**
6	Tax expense					
	- Current tax	-	-	5.73	-	5.38
	- Tax adjustment related to prior years	(1.22)	-	-	(2.00)	-
	- Deferred tax (credit) / charge	(0.04)	(13.14)	0.57	(15.26)	(0.62)
7	**Profit / (Loss) for the period (5-6)**	**(2.01)**	**(17.89)**	**22.00**	**(21.06)**	**19.57**
8	**Other Comprehensive Income**					
	A. (i) Items that will not be reclassified to Profit or Loss					
	- Remeasurement (loss) on defined benefit plans	(0.48)	(0.73)	(3.36)	(2.66)	(2.64)
	(ii) Income tax related to items that will not be reclassified to profit or loss	0.17	0.25	1.18	0.93	0.93
	B. (i) Items that will be reclassified to Profit or Loss					
	- Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(1.24)	0.22	(0.93)	(1.06)	0.45
	(ii) Income tax related to items that will be reclassified to profit or loss	0.43	(0.07)	0.32	0.37	(0.16)
9	**Total Comprehensive Income for the period (7+8) [comprising Profit / (Loss) and Other Comprehensive Income for the period]**	**(3.13)**	**(18.22)**	**19.21**	**(23.48)**	**18.15**
10	**Basic and diluted earnings per share (Rupees)**	**(1.39)**	**(12.36)**	**15.21**	**(14.55)**	**13.53**
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	-	-	-	370.39	399.11
	See accompanying notes to the audited financial results					

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Statement of Assets and Liabilities as at 31 March 2020

(Rs. Crores)

	Particulars	Audited 31.03.2020	Audited 31.03.2019
A.	**ASSETS**		
1	**Non-current assets**		
	Property, plant and equipment	345.67	368.69
	Capital work-in-progress	2.73	7.17
	Right of use assets	9.71	-
	Intangible assets	70.79	11.18
	Intangible assets under development	0.42	19.96
	Financial assets		
	- Loans	2.98	3.70
	- Other financial assets	8.87	4.66
	Income tax assets (net)	6.42	4.65
	Deferred tax assets (net)	15.18	-
	Other non-current assets	13.07	18.26
	Total non-current assets (A)	**475.84**	**438.27**
2	**Current assets**		
	Inventories	268.91	423.75
	Financial assets		
	- Trade receivables	39.46	148.65
	- Cash and cash equivalents	33.83	27.45
	- Bank balances other than Cash and cash equivalents	2.50	2.72
	- Loans	1.40	1.08
	- Other financial assets	4.67	3.58
	Other current assets	32.02	49.53
	Total current assets (B)	**382.79**	**656.76**
	Total assets (A+B)	**858.63**	**1,095.03**
B.	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital	14.48	14.48
	Other equity	370.39	399.11
	Total equity (C)	**384.87**	**413.59**
2	**Liabilities**		
	Non-current liabilities		
	Financial liabilities		
	- Borrowings	94.83	104.24
	- Lease liabilities	8.40	-
	- Other financial liabilities	12.27	12.05
	Provisions	36.78	43.94
	Deferred tax liabilities (net)	-	1.39
	Other non-current liabilities	1.35	0.73
	Total non-current liabilities (D)	**153.63**	**162.35**
	Current liabilities		
	Financial liabilities		
	- Borrowings	32.97	110.07
	- Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises	3.16	4.26
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	163.94	268.04
	- Lease liabilities	1.90	-
	- Other financial liabilities	74.16	57.47
	Provisions	26.16	30.09
	Current tax liabilities (net)	0.73	3.36
	Other current liabilities	17.11	45.80
	Total current liabilities (E)	**320.13**	**519.09**
	Total liabilities (D+E)	**473.76**	**681.44**
	Total equity and liabilities (C+D+E)	**858.63**	**1,095.03**

YUGO HASHIMOTO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Rs. Crores

	Audited Year ended 31 March 2020	Audited Year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	**(38.32)**	24.33
Adjustments for :		
Depreciation and amortization expense	**40.72**	38.44
Unrealised gain on foreign exchange fluctuation	-	(0.07)
Finance costs	**14.63**	16.10
Interest income	**(3.93)**	(3.57)
Property, plant and equipment and capital work-in-progress written off (net)	**1.19**	0.62
Net gain on sale of property, plant and equipment	**(0.19)**	(0.15)
Allowance for doubtful trade receivables / advances	-	2.85
Provision for inventories written down	**9.39**	3.39
Trade receivables / advances written off	**0.03**	0.03
Liabilities/provisions/allowances no longer required written back	**(3.49)**	(1.86)
Operating profit before working capital changes	**20.03**	80.11
Adjustments for :		
Decrease / (increase) in trade receivables	**110.73**	(33.70)
Decrease / (increase) in inventories	**145.45**	(63.36)
Decrease / (increase) in other non-current and current financial assets	**1.34**	(0.93)
Decrease / (increase) in other non-current and current loans	**0.39**	(0.46)
Decrease / (increase) in other non-current and current assets	**21.35**	(2.04)
(Decrease) / increase in trade payables	**(104.66)**	61.36
(Decrease) / increase in non-current and current provisions	**(13.78)**	7.34
(Decrease) / increase in other non-current and current financial liabilities	**(3.07)**	2.67
(Decrease) / increase in other non-current and current liabilities	**(28.07)**	8.20
CASH PROVIDED BY OPERATIONS	**149.71**	59.19
Less: Direct tax paid, net of refunds	**(0.30)**	3.98
NET CASH PROVIDED BY OPERATING ACTIVITIES	**150.01**	55.21
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment for property, plant and equipment, intangible assets, capital work in progress and intangible assets under development	**(48.31)**	(61.57)
Proceeds from sale of property, plant and equipment	**0.22**	0.21
(Investment) in / maturity of bank deposits [having original maturity of more than three months]	**(0.83)**	0.31
Realisation of margin money	-	0.01
Interest income	**2.17**	3.07
NET CASH (USED) BY INVESTING ACTIVITIES	**(46.75)**	(57.97)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowings taken during the year	**30.00**	10.00
Long-term borrowings repaid during the year	**(30.00)**	(22.50)
Repayment of lease liabilities	**(1.33)**	-
Repayment of finance lease obligations	-	(0.15)
Short-term borrowings (repaid) / taken during the year (net)	**(77.10)**	40.07
Dividend transferred to Investor Education and Protection Fund	**(0.24)**	(0.31)
Dividend paid	**(4.30)**	(2.13)
Tax paid on dividends	**(0.89)**	(0.45)
Withdrawal from unpaid dividend accounts	**0.20**	0.27
Finance costs paid	**(13.22)**	(14.54)
NET CASH (USED) / PROVIDED BY FINANCING ACTIVITIES	**(96.88)**	10.26
Net increase in cash and cash equivalents	**6.38**	7.50
Cash and cash equivalents at the beginning of the year	**27.45**	19.95
Cash and cash equivalents at the end of the year	**33.83**	27.45

Notes to the Cash Flow Statement :-

1. Components of cash and cash equivalents

	31 March 2020	31 March 2019
Cash in hand	**0.01**	0.02
Balances with banks		
- Bank deposits (original maturity of 3 months or less)	**16.44**	-
- Current accounts	**17.38**	27.43
	33.83	27.45

2. The above "Statement of Cash flows" has been prepared as per the Indirect method as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

3. Reconciliation of movements of liabilities (including cross currency interest rate swap) to cash flows arising from financing activities :-

		31 March 2020		31 March 2019
At the beginning of the year (current and non-current)		**240.44**		213.48
Net cash inflows		**(78.43)**		27.42
Lease liabilities				
- Recognised on adoption of Ind AS 116 as at 1 April 2019	**8.54**		-	
- Additions during the year	**1.53**	**10.07**	-	-
Change in fair value		**1.07**		(0.46)
At the end of the year (current and non-current)		**173.15**		240.44

YUGO HASHIMOTO

Notes :

1 The Company is primarily engaged in the business of manufacturing of commercial vehicles and related components which constitutes a single business segment and accordingly, disclosure requirements of Ind AS 108, 'Operating Segments' are not required to be given. As defined in Ind AS 108, the Chief Operating Decision Maker (CODM), i.e. the Board of Directors, evaluates the performance of the Company and allocates resources based on the analysis of the various performance indicators of the Company as a single unit.

2 The above audited results were reviewed by the Audit Committee on 20 July 2020 and approved by the Board of Directors in their meeting held on 21 July 2020. The above results for the year ended 31 March 2020 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 Limited. For more details on the audited results, visit 'disclosure' section of our website at www.smlisuzu.com and 'Financial Results' in 'Corporates' section of www.nseindia.com and www.bseindia.com.

3 With effect from 1 April 2019, the Company has adopted IND AS 116 'Leases' ('the Standard') and applied the Standard to its leases using the modified retrospective approach. Accordingly, the Company has not restated the comparative information. This has resulted in recognition of a 'Right of use' asset and a corresponding lease liability of Rs. 8.54 crores as at 1 April 2019. In the financial results for the quarter and year ended 31 March 2020, the nature of expense in respect of operating leases has changed from rent to depreciation for the 'Right of use' asset and finance cost for the interest expense on the corresponding lease liability.
The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset and the lease liability at the date of initial application of Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17. Accordingly, an amount of Rs. 1.92 crores has been reclassified from 'Property, plant and equipment' to 'Right of use assets' and an amount of Rs. 1.56 crores has been reclassified from finance lease obligations to lease liability on the transition date.

4 The figures for the quarter ended 31 March 2020 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.

5 The Company had received allegations in respect of certain operational and financial matters from an employee and a former employee. The Company decided to internally investigate these allegations. While the work performed internally did not indicate any material financial impropriety, the Company considered it appropriate to get an external independent investigation done by experts who possess the necessary skills to carry out such work. Accordingly, the Company engaged an external firm to perform an investigation particularly to evaluate the appropriateness of certain transactions. This Investigation has already been completed and an investigation report was issued by such external firm to the Management ('final investigation report').
In the process, the Company had also appointed an independent firm of engineers to perform additional verification as regards one of the matters that was part of the allegations.
Based on its assessment of the said allegations and its assessment of the final investigation report and the report issued by the said firm of engineers, the Board of Directors, the Audit Committee and Management of the Company are of the view that while there may have been some control deficiencies, there is no evidence available that indicates any material financial impropriety and consequently no adjustment is required to be made to the financial results for the quarter and year ended 31 March 2020.
The Company continues to work towards further strengthening of its internal controls and processes.

6 The Covid-19 pandemic has already resulted in economic slowdown throughout the world including India. The operations of the Company have also been significantly impacted including shutdown of its manufacturing plant and offices following a nationwide lockdown by the Government of India. The Company resumed operations of its plant during the first week of May 2020 as per directives from the State Government and Government of India.
The Company has evaluated the impact of this pandemic on its business operations and financial position while preparing these financial statements and has considered internal and external information for making this evaluation. The Company's assessment is based on its current estimates while assessing the provision towards employee benefits and assessing the realizability of inventories, trade receivables, other financial assets etc. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting and controls etc.
However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration, and the actual impact on these financial statements may differ from that estimated due to unforeseen circumstances. The Company will continue to closely monitor any material changes to future economic conditions.

7 The Company's business activities were hit hard in fiscal 2020 as sales fell due to general slowdown in the automotive industry which was accentuated by the outbreak of Covid-19. The Covid-19 outbreak has cast a long shadow over the Indian economy in fiscal 2021 and has significantly impacted the Company due to plant shutdowns as well as subsequent lower demand as people tackle the pandemic. A return to earlier 'normal' levels of demand is envisaged only over a period of time, and there is a risk of setbacks along the way.
Despite the impact of Covid-19 on the current operations as explained above, the accompanying financial statements have been prepared on a going concern basis as Management expects that the Company should be able to continue as a going concern for a foreseeable future in view of its strong net worth, established technical excellence and operational systems as well as identified future course of actions which Management considers to be realistic and feasible such as to protect revenues, cut costs, manage working capital balances, manage liquidity by deferring dividends, non compulsory capital expenditures etc. Hence, despite various uncertainties, in view of its Management and the Board of Directors, the Company will be able to meet its financial obligations in the foreseeable future based on the above actions, continued support from various stakeholders including its promoter group and through availability of financing from lenders as may be required to sustain its operations on a going concern basis and will be able to discharge its liabilities and realise the carrying amount of its assets as on 31 March 2020.

8 The Company considers its property, plant and equipment and intangible assets as a single cash generating unit or CGU. The total carrying value of its CGU as at 31 March 2020 is Rs. 416.46 crores. Based on its assessment of the various factors that indicate impairment, the Company decided to test its CGU for impairment as per the requirements of Ind AS 36 on 'Impairment of Assets'. In accordance with the requirements of Ind AS 36, the Company was required to determine a recoverable amount of its CGU. The Company has considered fair value less costs to sell ('the fair value') of the CGU as its recoverable amount and engaged an independent third party valuer ('the Valuer') to arrive at this fair value. As per the report issued by the Valuer, the fair value of the CGU is higher than its carrying value and hence the Company has concluded that no impairment provision needs to be recorded in the financial results for the quarter and year ended 31 March 2020.

For and on behalf of
the Board of Directors

YUGO HASHIMOTO

(Yugo Hashimoto)
Managing Director & CEO
DIN: 08165797

Place: Tokyo, Japan
Date: 21.07.2020

B S R & Associates LLP
Chartered Accountants

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

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of SML Isuzu Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of **SML Isuzu Limited** (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Emphasis of Matter

We draw attention to Note 7 of these financial results which explains Management's assessment of going concern assumption including financial impact on account of COVID 19 pandemic situation and its assertion that based on best estimates made by it, the Company will continue as a going concern, i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future, despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

ASHWIN BAKSHI Digitally signed by ASHWIN BAKSHI Date: 2020.07.21 17:27:23 +05'30'

Ashwin Bakshi
Partner
Membership No. 506777
UDIN: 20506777AAAABN7477

Place: New Delhi
Date: 21 July 2020