

**INDOSOLAR LIMITED**

Regd. Office: C-12, Friends Colony (East), New Delhi-110065

**STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2012**

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**Part - I**

| Sl. No | Particulars                                                                                | Quarter ended     |                   |                   | Year ended         |                   |
|--------|--------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
|        |                                                                                            | Audited*          | Unaudited         | Audited*          | Audited            | Audited           |
|        |                                                                                            | 31 March 2012     | 31 December 2011  | 31 March 2011     | 31 March 2012      | 31 March 2011     |
| 1      | <b>Income from operations</b>                                                              |                   |                   |                   |                    |                   |
| a      | Net sales/income from operations (net of excise duty)                                      | 76.73             | 859.07            | 8,201.59          | 8,134.26           | 54,340.19         |
| b      | Other operating income                                                                     | 1.49              | 977.93            | 104.45            | 1,063.23           | 3,855.12          |
|        | <b>Total income from operations (net)</b>                                                  | <b>78.22</b>      | <b>1,837.00</b>   | <b>8,306.04</b>   | <b>9,197.49</b>    | <b>58,195.31</b>  |
| 2      | <b>Expenses:</b>                                                                           |                   |                   |                   |                    |                   |
| a      | Cost of materials consumed                                                                 | 30.45             | 348.53            | 9,354.81          | 8,611.61           | 51,208.37         |
| b      | Changes in inventories of finished goods and work-in-progress                              | 158.74            | 1,500.68          | (3,021.70)        | 4,892.41           | (2,766.75)        |
| c      | Employee benefits expense                                                                  | 239.35            | 227.00            | 329.34            | 1,046.95           | 1,218.94          |
| d      | Depreciation and amortisation expense                                                      | 944.73            | 705.05            | 1,086.30          | 3,421.76           | 5,182.86          |
| e      | Other expenses                                                                             | 1,775.18          | 1,338.94          | 1,760.29          | 6,057.21           | 6,403.03          |
|        | <b>Total expenses</b>                                                                      | <b>3,148.45</b>   | <b>4,120.21</b>   | <b>9,509.04</b>   | <b>24,029.94</b>   | <b>61,246.45</b>  |
| 3      | <b>Loss from operations before other income, finance cost and exceptional items (1-2)</b>  | <b>(3,070.23)</b> | <b>(2,283.21)</b> | <b>(1,203.00)</b> | <b>(14,832.45)</b> | <b>(3,051.14)</b> |
| 4      | Other income                                                                               | 1,983.67          | 89.48             | 318.82            | 521.08             | 807.67            |
| 5      | <b>Loss from ordinary activities before finance costs and exceptional items (3+4)</b>      | <b>(1,086.56)</b> | <b>(2,193.73)</b> | <b>(884.18)</b>   | <b>(14,311.37)</b> | <b>(2,143.47)</b> |
| 6      | Finance costs                                                                              | 1,208.50          | 2,000.06          | 1,738.70          | 5,925.09           | 6,766.77          |
| 7      | <b>Loss from ordinary activities after finance cost but before exceptional items (5+6)</b> | <b>(2,295.07)</b> | <b>(4,193.79)</b> | <b>(2,622.88)</b> | <b>(20,236.46)</b> | <b>(8,910.24)</b> |
| 8      | Exceptional items                                                                          | 921.14            | -                 | 3,167.65          | 33,314.40          | 33,314.40         |
|        | (Face value Rs 10/-each)                                                                   |                   |                   |                   |                    |                   |
| 15     | Reserves (excluding revaluation reserve, if any)                                           | -                 | -                 | 7,719.05          | (12,517.42)        | 7,719.05          |
| 16     | Earning per share (in Rs.) (not annualised)                                                |                   |                   |                   |                    |                   |
|        | Basic                                                                                      | (0.41)            | (1.25)            | 0.16              | (6.04)             | (2.09)            |
|        | Diluted                                                                                    | (0.41)            | (1.25)            | 0.16              | (6.04)             | (2.09)            |
|        | <b>Part II</b>                                                                             |                   |                   |                   |                    |                   |
| A      | <b>Particulars of Shareholding</b>                                                         |                   |                   |                   |                    |                   |
| 1      | Public shareholding                                                                        |                   |                   |                   |                    |                   |
|        | - Number of shares                                                                         | 128,144,030       | 128,144,030       | 128,144,030       | 128,144,030        | 128,144,030       |
|        | - percentage of shareholding                                                               | 38.24%            | 38.24%            | 38.24%            | 38.24%             | 38.24%            |
| 2      | Promoters and promoter group shareholding                                                  |                   |                   |                   |                    |                   |
| a      | Pledged/encumbered                                                                         |                   |                   |                   |                    |                   |
|        | - Number of shares                                                                         | 136,885,495       | 136,885,495       | 69,812,000        | 136,885,495        | 69,812,000        |
|        | - percentage of shares (as a % of the total shareholding of promoter and promoter group)   | 66.13%            | 66.13%            | 33.73%            | 66.13%             | 33.73%            |
|        | - percentage of shares (as a % of the total share capital of the company)                  | 40.84%            | 40.84%            | 20.83%            | 40.84%             | 20.83%            |
| b      | Non encumbered                                                                             |                   |                   |                   |                    |                   |
|        | - Number of shares                                                                         | 70,114,502        | 70,114,502        | 137,187,997       | 70,114,502         | 137,187,997       |
|        | - percentage of shares (as a % of the total shareholding of promoter and promoter group)   | 33.87%            | 33.87%            | 66.27%            | 33.87%             | 66.27%            |
|        | - percentage of shares (as a % of the total share capital of the company)                  | 20.92%            | 20.92%            | 40.93%            | 20.92%             | 40.93%            |

| Particulars                                    | Quarter ended |
|------------------------------------------------|---------------|
|                                                | 31.03.12      |
| B Investor Complaints                          |               |
| Pending at the beginning of the quarter        | -             |
| Received during the quarter                    | 2             |
| Disposed of during the quarter                 | 2             |
| Remaining unresolved at the end of the quarter | -             |

**INDOSOLAR LIMITED**

*[Signature]*

**Company Secretary**

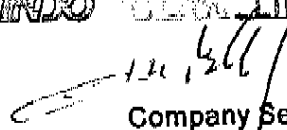
\* Figures for the three months ended 31 March 2012 and 31 March 2011 respectively, are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year. Also, the figures upto the end of the third quarter were only reviewed and not subject to audit.

For and on behalf of the Board of Directors of

## Statement of Assets and Liabilities

| Particulars                                | Audited                |                        |
|--------------------------------------------|------------------------|------------------------|
|                                            | As at<br>31 March 2012 | As at<br>31 March 2011 |
| <b>A Equity and Liabilities</b>            |                        |                        |
| <b>1 Shareholders' funds</b>               |                        |                        |
| (a) Share capital                          | 33,514.40              | 33,514.40              |
| (b) Reserves and surplus                   | (12,517.42)            | 7,719.05               |
| <b>Sub-total - Shareholders' funds</b>     | <b>20,996.98</b>       | <b>41,233.45</b>       |
| <b>2 Non-current liabilities</b>           |                        |                        |
| (a) Long-term borrowings                   | 73,314.84              | 27,589.45              |
| (b) Other long-term liabilities            | 5,535.56               | -                      |
| (c) Long-term provisions                   | 25.26                  | 48.17                  |
| <b>Sub-total - Non-current liabilities</b> | <b>78,875.66</b>       | <b>27,637.62</b>       |
| <b>3 Current liabilities</b>               |                        |                        |
| (a) Short-term borrowings                  | 2,956.97               | 15,055.09              |
| (b) Trade payables                         | 2,500.58               | 3,499.90               |
| (c) Other current liabilities              | 3,289.08               | 12,101.55              |
| (d) Short-term provisions                  | 10.97                  | 1.34                   |
| <b>Sub-total - Current liabilities</b>     | <b>8,757.60</b>        | <b>31,317.88</b>       |
| <b>Total - Equity and Liabilities</b>      | <b>108,630.24</b>      | <b>100,188.95</b>      |
| <b>B Assets</b>                            |                        |                        |
| <b>1 Non-current assets</b>                |                        |                        |
| (a) Fixed assets                           | 98,143.72              | 61,010.49              |
| (b) Long-term loans and advances           | 1,068.58               | 10,571.70              |
| (c) Other non-current assets               | 2,918.06               | 3,277.99               |
| <b>Sub-total - Non-current assets</b>      | <b>102,130.37</b>      | <b>74,860.18</b>       |
| <b>2 Current assets</b>                    |                        |                        |
| (a) Current investments                    | 9.65                   | 6,600.00               |
| (b) Inventories                            | 3,210.60               | 9,986.68               |
| (c) Trade receivables                      | 1,081.87               | 6,308.19               |
| (d) Cash and cash equivalents              | 1,046.91               | 1,192.99               |
| (e) Short-term loans and advances          | 1,000.01               | 1,203.74               |
| (f) Other current assets                   | 150.84                 | 37.17                  |
| <b>Sub-total - Current assets</b>          | <b>6,499.88</b>        | <b>25,328.77</b>       |

INDOSOLAR LIMITED


  
Company Secretary



3 As more fully explained in Note 1 and 2 above, the Company witnessed a significant downturn due to weak demand both globally as well as in the domestic market and incurred significant cash and operating losses during the year. The Company requested the Lenders for debt restructuring. The request was referred to the Corporate Debt Restructuring Forum, (hereinafter referred to as the "CDR CELL"). Pursuant thereto, the CDR Empowered Group approved a restructuring package in terms of which the Existing Financial Assistance was restructured and certain additional financial assistance was sanctioned per Letter of Approval dated 7 March 2012. The Company has accordingly given effect to the CDR scheme in the financial statements. However one of the banks of the consortium group i.e. Indian Bank is yet to agree to the CDR package and sign the Master Restructuring Agreement.

Under the debt restructuring package, the existing term loans have been restructured whereby the term for repayment has been extended till 31 March 2021, interest rates have been reduced to 10.75% per annum. The existing irregularity in the working capital facilities have been carved out and converted into working capital term loan with the repayment commencing from 31 December

2013. In addition the interest on term facilities will be reduced to 10.75% per annum.

10 IPO proceeds amounting to Rs.15,580.55 lakhs is paid for acquisition of machineries for Line C. Rs.14,376.56 lakhs have been utilised towards repayment of loans from banks/ use for the operations of the Company and Rs. 3,358.24 lakhs has been used for meeting IPO expenses. This is in accordance with the manner the IPO proceeds could have been utilised as specified in the prospectus. The balance of the IPO proceeds amounting to Rs. 2,384.65 lakhs pending utilisation, has been invested in interest bearing liquid instruments and bank deposits.

11 During the year ended 31 March 2011 the Company incurred significant losses on account of delay in stabilization of one of its lines that had become operational in March 2010. As a consequence, the Company claimed compensation for operational losses incurred during the period April, 2010 to September, 2010 from its vendor. In lieu of such claim, the Company had received cash compensation amounting to Euros 5,000,000 (equivalent to Rs.316,764,500) from its supplier of machinery. Such claim had been disclosed as an exceptional item in the Profit and Loss Account for the year ended 31 March 2011.

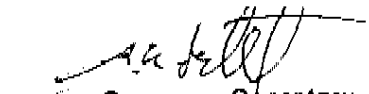
12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30 May

For and on behalf of the Board of Directors of  
Indosolar Limited

Date : 30-May-2012

Place : New Delhi

Managing Director

  
Company Secretary

# B S R and Associates

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Chartered Accountants

Building No 10, 8th Floor, Lower B  
DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

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To the Board of Directors  
**Indosolar Limited**

1. We have audited the accompanying statement of annual Financial Results ('Statement') of Indosolar Limited ('the Company') for the year ended 31 March 2012, attached herewith, being submitted by the Company pursuant to the requirements of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2012 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 unaudited figures for the quarter. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
2. These financial results have been prepared by the Company 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 (Accounting Standards) Rules, 2006 in terms of Section 211(3C) of the Companies Act, 1956, and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
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 in the financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. ~~Without qualifying our opinion, attention is invited to note 2, with regard to impairment assessment~~ current business realities and which has been incorporated in the Corporate Debt Restructuring (CDR) package approved by the consortium of banks. Such cash flows do not indicate an impairment as at 31 March 2012. Accordingly, impairment charge of Rs. 1,902.34 lakhs recorded in the quarter and half year ended 30 September 2011 has been reversed. As elaborated in the note, the achievement of such cash flows is dependent upon sustaining reasonable gross margins despite current low selling prices; ability of project developers reaching financial closure; the Company being able to garner a reasonable share of the demand both under National Solar Missions and State Solar Missions and the ultimate outcome of various policy interventions explained more fully in the note that are required for the viability of the sector. The result of all of the above significant possible changes in the business dynamics and its consequent effect on the Company's cash flows will be known in the ensuing period. Accordingly, the cash flows that were prepared by management and as approved by the CDR cell have been considered by us for impairment assessment.

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