

May 27, 2017



To
The Assistant Vice President
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai – 400 050

To
The General Manager
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Sub.: Outcome of the Board Meeting held on 27th May, 2017

Reference: Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We wish to inform that the Board of Directors of Indosolar Limited at its meeting held today (27th May, 2017), has inter alia:

1. Considered, approved and taken on record the Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March, 2017.

Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the following:

- i) Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March, 2017.
 - ii) Auditor's Report on Financial Results for the Quarter and Financial Year ended 31st March, 2017.
 - iii) Statement on impact of Audit Qualifications for the Financial Year ended 31st March, 2017.
2. Considered and approved the conversion of 95,00,000 Compulsorily Convertible Preference Shares into 87,31,617 Equity Shares at Rs. 10.88 (including Rs. 0.88 Securities Premium).

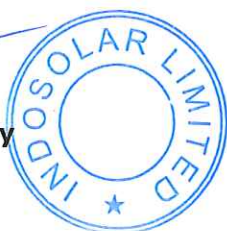
This is for your kind information and record, please.

Thanking you
Yours truly

FOR INDOSOLAR LIMITED


Manish Gupta
Company Secretary

Encl.: As above



INDOSOLAR LIMITED

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

www.indosolar.co.in

Factory: 3C/1, EcoTech - II, Udyog Vihar, Greater Noida - 201 306 (U.P.) - INDIA

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CIN-L18101DL2005PLC134879

INDOSOLAR LIMITED

CIN: L18101DL2005PLC134879

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

Tel.: 011-26841375, Fax: 011-26843949

E mail: secretarial@indosolar.co.in, Website: www.indosolar.co.in

Statement of standalone Audited Financial Results for Quarter and year ended 31 March 2017

(Rs. in Lakhs)

Sl. No.	Particulars	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended in the previous year	Year ended 31.03.2017	Previous Year ended
		Audited*	Un-audited	Audited*	Audited	Audited
I	(Refer Notes below)					
II	Revenue from Operations (inclusive of excise duty)	11,309.19	12,800.76	9,949.98	44,231.09	25,768.11
III	Other income	215.73	32.42	197.48	297.44	215.91
IV	Total Revenue (I+II)	11,524.92	12,833.18	10,147.46	44,528.53	25,984.02
V	Expenses					
a	Cost of Materials consumed	6,764.72	7,133.22	8,139.09	30,419.79	18,778.14
b	Purchase of stock in trade	213.25	116.68	114.36	631.31	302.35
c	Changes in inventories of finished goods and stock in trade	(759.32)	933.05	(173.91)	(1,383.32)	72.33
d	Employee benefits expense	487.31	380.29	54.53	1,572.85	1,037.88
e	Finance costs	(802.01)	3,872.70	2,727.92	10,393.81	12,520.96
f	Depreciation and amortisation expense	701.72	771.49	644.13	2,834.17	2,657.08
g	Other expenses					
(1)	Other Expenses	1,678.41	1,522.58	1,618.90	5,864.21	4,742.48
(2)	Excise Duty	-	-	-	-	-
Total Expenses		8,284.08	14,730.01	13,125.02	50,332.82	40,111.22
VI	Profit/(Loss) from operations before Exceptional items, Extraordinary items and tax (III-IV)	3,240.84	(1,896.83)	(2,977.56)	(5,804.29)	(14,127.20)
VII	Exceptional items	-	-	-	-	-
VIII	Profit/(Loss) from operations before Extraordinary items and tax (V-VI)	3,240.84	(1,896.83)	(2,977.56)	(5,804.29)	(14,127.20)
IX	Extraordinary items	-	-	-	-	-
X	Profit/(Loss) before tax (V-VI)	3,240.84	(1,896.83)	(2,977.56)	(5,804.29)	(14,127.20)
(1)	Current tax	-	14.23	-	14.23	-
(2)	Deferred tax	-	-	-	-	-
XI	Profit/(Loss) for the period from continuing operations (IX-X)	3,240.84	(1,911.06)	(2,977.56)	(5,818.52)	(14,127.20)
XII	Profit/(Loss) from discontinuing operations	-	-	-	-	-
XIII	Tax expense of discontinuing operations	-	-	-	-	-
XIV	Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV	Profit/(Loss) for the period (XI+XIV)	3,240.84	(1,911.06)	(2,977.56)	(5,818.52)	(14,127.20)
XVI	Earnings per equity share :					
(1)	Basic	0.90	(0.53)	(0.83)	(1.62)	(3.94)
(2)	Diluted	0.90	(0.53)	(0.83)	(1.62)	(3.94)

* Figures for the 3 months ended 31 March 2017 and 31 March 2016 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 third quarter were only reviewed and not subjected to audit.



Standalone Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	Audited As at 31 March 2017	Audited As at 31 March 2016
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	36,763.00	36,763.00
(b) Reserves and surplus	(66,410.29)	(60,591.77)
Sub-total - Shareholders' funds	(29,647.29)	(23,828.77)
2 Non-current liabilities		
(a) Long-term borrowings	1,188.41	49,319.79
(b) Long-term provisions	56.55	28.62
Sub-total - Non-current liabilities	1,244.96	49,348.41
3 Current liabilities		
(a) Short-term borrowings	5,209.26	6,892.38
(b) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	102.09	148.56
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,168.24	4,175.94
(c) Other current liabilities	132,108.91	73,455.36
(d) Short-term provisions	44.33	25.67
Sub-total - Current liabilities	140,632.83	84,697.91
Total - Equity and liabilities	112,230.50	110,217.55
B ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	45,396.87	44,540.85
(ii) Intangible assets	7.31	6.92
(iii) Capital work-in-progress	56,315.07	59,653.92
(b) Long-term loans and advances	2,279.01	827.10
(c) Other non-current assets	438.26	146.40
Sub-total - Non-current assets	104,436.52	105,175.19
2 Current assets		
(a) Inventories	3,947.48	2,633.90
(b) Trade receivables	1,125.51	348.77
(c) Cash and cash equivalents*	961.63	83.92
(d) Short-term loans and advances	1,705.21	1,926.33
(e) Other current assets	54.15	49.44
Sub-total - Current assets	7,793.98	5,042.36
Total - Assets	112,230.50	110,217.55



*Cash and cash equivalents represent cash and bank balances

Notes to the audited financial results for the Quarter ended 31st March, 2017

1. As on 31st March 2017, the current liabilities exceed the current assets by Rs 132,838.84 lakhs. Due to non-fulfillment of its obligations under CDR package the company exited from CDR mechanism. In the meeting of CDR EG, held on 29th September 2016, As Company's accounts became Non Performing Assets ("NPA") all long term borrowings have been classified as current liabilities. The management has evaluated the impact of CDR exit and is of the view that there would not be any material impact of the same on the financial results.
2. The Company has received a communication from Andhra Bank and Indian Bank informing absolute assignment and transfer of all its debts and securities etc to Asset Reconstruction Company (India) Limited (ARCIL). In view of the negotiations with ARCIL for restructuring of debts, the company has decided not to provide interest of Rs. 1,202.64 lakhs for the quarter ended March, 2017 and has also decided to write-back interest of Rs. 3,451.68 lakhs for the period from 1st April, 2016 to 31st December, 2016, during the current quarter. As a consequence of this the interest amounting to Rs. 4,654.32 lakhs for the year ended 31st March, 2017 has not been provided.
3. Against Company's claim for eligibility of capital subsidy under SIP Scheme of Government the High Court of Delhi issued order dated 3rd July 2015 directing concerned authority to re calculate the eligibility as per company's claim with in a period of four weeks from the date of the order. Aggrieved with the order, the concerned authority filed an appeal with the Double Bench of High Court of Delhi. Double Bench of High Court of Delhi upheld the order of the single bench vide order dated 10th April, 2017. However, pending communication regarding further appeal and approval of the company's claim by the Department of Information Technology, the management is of the view that claim of subsidy shall be accounted for on final settlement.
4. Being an Export Oriented Unit, the Company needs to achieve positive NFE during a period of 10 years from the start of commercial production. Till date company spent Rs. 159,774.66 lakhs in foreign currency for Raw Material consumption; Stores & Spares and Expenses in foreign currency including amortization of all imported Plant and Machinery and the Company could earn in foreign currency equivalent to Rs. 182,937.00 lakhs as per para 6.9(f) of FTP resulting into positive NFE Rs. 23,162.34 lakhs. In case company also amortize value of Line-C till date (commercial production is yet to start) our NFE will become negative to the extend Rs. 2,034.71 lakhs.
5. Despite significant downturn in global market and as a result of several initiatives by Government of India, the domestic market has been showing an upturn resulting in Company getting orders and hence continuing of commercial production. Based on the current orders in hand (approx.59 MW), the Company expects to operate at the significant level of capacity utilisation till July 2017, favorable decision of Double bench of the High Court of Delhi in relation to the Company's eligibility for certain capital incentive, management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 2017 and that it is appropriate to prepare the accounts on a going concern basis.
6. The Company has only one single primary business segment viz. manufacture and sale of Photovoltaic Solar cells. Therefore, the disclosure requirements of Accounting Standard - 17 "Segment Reporting" specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 are not applicable.
7. The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 27th May 2017. The same has been filed with the stock exchange and is available on the website of the Company.

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

Date: 27th May, 2017
Place: Greater Noida



**H.R. Gupta
Managing Director
DIN: 00297722**



Arun K. Gupta & Associates
Chartered Accountants

D-58, East of Kailash,

New Delhi-110 065

Phone : 26287884 Fax : 26472939

Email : info@arunkguptaassociates.com

Auditor's Report on Quarterly Financial Results and Year to Date Results of Indosolar Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of Indosolar Limited

1. We have audited the quarterly financial results of Indosolar Limited ("the Company") for the quarter ended March 31st 2017, and the financial results for the year ended March 31st 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. These quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31st 2017 and the published year-to-date figures up to December 31st 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31st 2017 and year to date ended March 31st 2017 have been prepared on the basis of the financial results for the nine-month period ended December 31st 2016, the audited annual financial statements as at and for the year ended March 31st 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and the Disclosures Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine- month period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, "Interim Financial Reporting", specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31st 2017 and in compliance with the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. 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. 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.
3. Attention is invited to the following developments as explained in detail in the notes to the financial results:



- a) *The Company has continued to incur significant losses in the current quarter and in the year to date resulting in further erosion of its net worth which had already been fully eroded during the year ended 31st March 2014. The Company's current liabilities exceeds the current assets by Rs. 1,32,838.85 lakhs as on 31st March 2017. The Company's short term borrowings and other current liabilities as at 31st March 2017 include balances payable to various lender banks amounting to Rs. 5,209.26 lakhs and Rs.1,27,627.54 lakhs respectively. These lender banks have exited from Corporate Debt Restructuring (CDR) Cell vide its letter dated 4th November, 2016. However, in absence of requisite information from the banks, we are unable to comment upon the possible impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities as at 31st March 2017 and interest expense (including penal interest, if any) for year ended 31st March 2017 and the consequential impact on the accompanying statement.*
- b) *The company's claim of it being eligible for certain capital incentives may be further disputed by the Department of Information Technology before the Honorable Supreme Court and the outcome will be known upon the conclusion of the litigation. Also refer Note 3 to the Financial Statements.*
- c) *The company has not been able to meet its commitment to Special Economic Zone on the basis of which the company imported certain raw material, stores and spares and machineries without payment of custom duty even after considering the DTA sale of Rs 3864.89 lakhs for which company had filed an appeal before the relevant authorities to consider the DTA sale for calculation of NFE under para 6.9 (f) of Foreign Trade Policy (FTP) in place of para 6.8 of the FTP. If the appeal is accepted the NFE as on 31st March, 2017 would be negative by Rs 2034.71 lakhs. Also refer note 4 to the Financial Statements.*

On the basis of the overall evaluation of the above factors and considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the High court of Delhi in relation to the company's eligibility for certain capital incentive, the Company's continuing efforts to settle with the banker's and sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 2017 and that it is appropriate to prepare the accounts on a going concern basis. In our view, the full erosion of net worth, inability of the company to meet its certain material liabilities and commitments, the fact that the impact of the government decisions would be known only in future, the uncertainty of outcome of claims, impact of exit from the Corporate Debt Restructuring (CDR) Cell and uncertainty on the ability of the company to meet its export obligations create material uncertainties. Therefore, the quantum of impairment in



respect of carrying value of fixed assets including capital work in progress cannot be determined at present. Consequently material uncertainties exist regarding the use of going concern assumption in preparing the Statement.

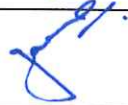
4. *During the year two secured lenders have assigned their outstanding dues to an Assets Reconstruction Company (India) Limited (ARCIL) aggregating to Rs 35,034.42 lakhs. Pending finalization of terms of assignment the company has not provided for interest of Rs 1,202.64 lakhs for the quarter ended 31st March 2017 and has also written-back interest of Rs 3,451.68 lakhs provided in the earlier three quarters i.e. 1st April 2016 to 31st December 2016, during the quarter ended March 2017. As a consequence to this, interest of Rs 4,654.32 lakhs for the year ended 31st March 2017 has been under provided Had the Company provided the interest on such assigned loans, there would have been loss of Rs 1,413.48 lakhs instead of profit of Rs 3,240.84 lakhs for the quarter ended 31st March 2017 and the losses, and the current liabilities and Reserves & Surplus (debit balances) for the year ended March 2017 would have been higher by Rs 4,654.32 lakhs.*
5. Based on our review conducted as explained in paragraph 1 and 2 and subject to our observations in paragraph 3 which highlight material uncertainties, the impact of which is currently not ascertainable including the ability of the company to continue as a going concern ,and our observation in paragraph 4 above regarding non provision of interest , in our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:
- are presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 in this regard; and
 - give a true and fair view of the net profit for the quarter and net loss for the year ended March 31st 2017.

Place: Greater Noida
Dated: 27-05-2017

For ARUN K GUPTA & ASSOCIATES
Firm Registration No. 000605N
Chartered Accountants

(GIREESH KUMAR GOENKA)
PARTNER
M. No. 096655

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
			(Rs. In Lakhs)	(Rs. In Lakhs)
	1	Turnover / Total income	44,528.53	44,528.53
	2	Total Expenditure	50,347.05	55,001.37
	3	Net Profit/(Loss)	(5,818.52)	(10,472.84)
	4	Earnings Per Share	(1.62)	(2.92)
	5	Total Assets	112,230.50	112,230.50
	6	Total Liabilities	141,877.79	146,532.11
	7	Net Worth	(29,647.29)	(34,301.61)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.		Audit Qualification (each audit qualification separately):		
		a. Details of Audit Qualification: Refer to Annexure-I		
		b. Type of Audit Qualification : Qualified Opinion		
		c. Frequency of qualification: First Time: Refer Point No. 4 of Annexure-I/ Repetitive: Refer Point No. 3 of Annexure-I		
		d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Refer Point No. 2 of Annexure-II		
		e. For Audit Qualification(s) where the impact is not quantified by the auditor:		
		(i) Management's estimation on the impact of audit qualification: Nil		
		(ii) If management is unable to estimate the impact, reasons for the same: Refer Point No. 1 of Annexure-II		
		(iii) Auditors' Comments on (i) or (ii) above: Refer to Annexure-III		
III.		Signatories:		
		CEO/Managing Director		
				
		CFO		
				
		Audit Committee Chairman		
				
		Statutory Auditor		
				
Place: Greater Noida				
Date: 27th May, 2017				

Annexure-I

Details of audit qualifications:

3. Attention is invited to the following developments as explained in detail in the notes to the financial results:

- a) *The Company has continued to incur significant losses in the current quarter and in the year to date resulting in further erosion of its net worth which had already been fully eroded during the year ended 31st March 2014. The Company's current liabilities exceeds the current assets by Rs. 1,32,838.85 lakhs as on 31st March 2017. The Company's short term borrowings and other current liabilities as at 31st March 2017 include balances payable to various lender banks amounting to Rs. 5,209.26 lakhs and Rs.1,27,627.54 lakhs respectively. These lender banks have exited from Corporate Debt Restructuring (CDR) Cell vide its letter dated 4th November, 2016. However, in absence of requisite information from the banks, we are unable to comment upon the possible impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities as at 31st March 2017 and interest expense (including penal interest, if any) for year ended 31st March 2017 and the consequential impact on the accompanying statement.*
- b) *The company's claim of it being eligible for certain capital incentives may be further disputed by the Department of Information Technology before the Honorable Supreme Court and the outcome will be known upon the conclusion of the litigation. Also refer Note 3 to the Financial Statements.*
- c) *The company has not been able to meet its commitment to Special Economic Zone on the basis of which the company imported certain raw material, stores and spares and machineries without payment of custom duty even after considering the DTA sale of Rs 3864.89 lakhs for which company had filed an appeal before the relevant authorities to consider the DTA sale for calculation of NFE under para 6.9 (f) of Foreign Trade Policy (FTP) in place of para 6.8 of the FTP. If the appeal is accepted the NFE as on 31st March, 2017 would be negative by Rs 2034.71 lakhs. Also refer note 4 to the Financial Statements.*

On the basis of the overall evaluation of the above factors and considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the High court of Delhi in relation to the company's eligibility for certain capital incentive, the Company's continuing efforts to settle with the banker's and sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 2017 and that it is appropriate to prepare the accounts on a going concern basis. In our view, the full erosion of net worth, inability of the company to meet its certain material liabilities and commitments, the fact that the impact of the government decisions would be known only in future, the uncertainty of outcome of claims, impact of exit from the Corporate Debt Restructuring (CDR) Cell and uncertainty on the ability of the company to meet its export obligations create material uncertainties. Therefore, the quantum of impairment in respect of carrying value of fixed assets including capital work in progress cannot be determined at present. Consequently, material uncertainties exist regarding the use of going concern assumption in preparing the Statement.

4. During the year two secured lenders have assigned their outstanding dues to an Assets Reconstruction Company (India) Limited (ARCIL) aggregating to Rs 35,034.42 lakhs. Pending finalization of terms of assignment the company has not provided for interest of Rs 1,202.64 lakhs for the quarter ended 31st March 2017 and has also written-back interest of Rs 3,451.68 lakhs provided in the earlier three quarters i.e. 1st April 2016 to 31st December 2016, during the quarter ended March 2017. As a consequence to this, interest of Rs 4,654.32 lakhs for the year ended 31st March 2017 has been under provided Had the Company provided the interest on such assigned loans, there would have been loss of Rs 1,413.48 lakhs instead of profit of Rs 3,240.84 lakhs for the quarter ended 31st March 2017 and the losses, and the current liabilities and Reserves & Surplus (debit balances) for the year ended March 2017 would have been higher by Rs 4,654.32 lakhs.

Annexure-II

Management Comment:

1. **Management is unable to estimate the impact:** Considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the High court of Delhi in relation to the company's eligibility for certain capital incentive, the Company's continuing efforts to settle with the banker's and sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 2017 and that it is appropriate to prepare the accounts on a going concern basis.
2. **Management's estimation on the impact of audit qualification:** In view of the negotiations with ARCIL for restructuring of debts, the company has decided not to provide interest of Rs. 1,202.64 lakhs for the quarter ended March, 2017 and has also decided to write-back interest of Rs. 3,451.68 lakhs for the period from 1st April, 2016 to 31st December, 2016, during the current quarter. As a consequence of this the interest amounting to Rs. 4,654.32 lakhs for the year ended 31st March, 2017 has not been provided.



Annexure-III

Auditor's Comments on Management Comments:

In our view, the full erosion of net worth, inability of the company to meet its certain material liabilities and commitments, the fact that the impact of the government decisions would be known only in future, the uncertainty of outcome of claims, impact of exit from the Corporate Debt Restructuring (CDR) Cell and uncertainty on the ability of the company to meet its export obligations create material uncertainties. Therefore, the quantum of impairment in respect of carrying value of fixed assets including capital work in progress cannot be determined at present. Consequently, material uncertainties exist regarding the use of going concern assumption in preparing the Statement.

