



December 30, 2016

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 Board Meeting held on December 30, 2016

Dear Sir(s),

In compliance with Regulation 30 and Regulation 33(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in its meeting, which concluded at 05.00 p.m., today, inter-alia, considered and taken on record Limited Review Report furnished by Statutory Auditor, M/s Arun K Gupta & Associates, Chartered Accountants, for the quarter ended 30th September, 2016. (copy enclosed)

This is for your kind information and record, please.

Thanking you

Yours truly

FOR INDOSOLAR LIMITED


Manish Gupta
Company Secretary



Encl.: As above



Arun K. Gupta & Associates
Chartered Accountants

D-58, East of Kailash,

New Delhi-110 065

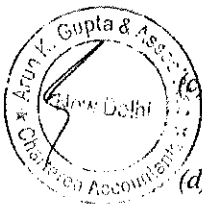
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LIMITED REVIEW REPORT

Review Report to
The Board of Directors,
Indosolar Limited

1. We have reviewed the accompanying statement of unaudited financial results of Indosolar Limited ('the Company') for the quarter ended 30th September, 2016 ("the Statement"). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 on '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 Statement is free of material misstatement. A review is limited primarily, to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit 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 31 March 2014. The Company's current liabilities exceeds the current assets by Rs. 134,219.62 lakhs as on 30th September 2016. The Company's short term borrowings and other current liabilities as at 30th September 2016 include balances payable to various lender banks amounting to Rs. 6,277.22 lakhs and Rs. 124,867.36 lakhs respectively. These lender banks have exited from Corporate Debt Restructuring (CDR) Cell vide its letter dated 4th November, 2016. As a result the accounting for these balances should be as per the original agreements entered with such lender banks. 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 30th September 2016 and interest expense (including penal interest, if any) for the quarter ended 30th September 2016 and the consequential impact on the accompanying statement. (Note 1 of the Statement)*
 - (b) *The company's claim of it being eligible for certain capital incentives are still under litigation and the outcome will be known upon the conclusion of the litigation. (Note 3 of the Statement)*
 - (c) *The dispute with MP Urja regarding the turnkey contract and the likely impact of the customers claim is uncertain. (Note 4 of the Statement)*
 - (d) *The Company has not been able to meet its obligation to Special Economic Zone on the basis of which the Company imported certain raw materials and machinery without payment of customs duty.*



During the year ended 31st March 2015, the Company had filed an appeal before the relevant authorities to consider the DTA sale of Rs. 3,864.89 lakhs made in the earlier years to consider as eligible sale for calculation of NFE under para 6.9 (f) of Foreign Trade Policy (FTP) in place of para 6.8 of FTP. Further it has been noticed that: i) while submitting the APR of 2011-12 and 2012-13, the Company had erroneously considered the domestic purchase of Rs. 331.07 lakhs as imported purchase resulting thereby higher forex outflow. ii) while submitting the APR of 2009-10, the Company had considered full year amortization of capital expenditure instead of calculating the same from the date of start of commercial production resulting into higher amortization of Rs. 1,409.07 lakhs which was considered as forex outflow in that year. These adjustments are included in the Net foreign exchange earnings as disclosed. (Note 5 of the Statement)

- (e) No provision for impairment has been made in respect of machine namely Light Induced Plating (LIP) currently not utilized. The present WDV of the assets is Rs. 2,872.88 lakhs as on 30 September 2016. (Note 7 of the Statement)

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 one of the lenders to Asset Reconstruction Company (India) Limited vide its letter dated 25th October 2016, management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 30 September 2016 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. 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, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable Accounting Standards specified in Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure requirement) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : New Delhi
Dated : 30-12-2016

For ARUN K GUPTA & ASSOCIATES

Firm Registration No. 000605N

Chartered Accountants


(SACHIN KUMAR)

PARTNER

M.No. 503204