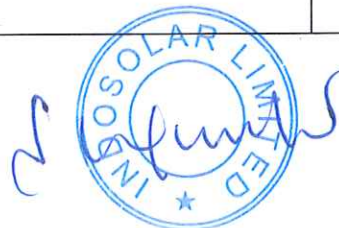


INDOSOLAR LIMITED

Regd. Office: C-12, Friends Colony (East), New Delhi- 110065  
Corporate Identification Number (CIN)- L18101DL2005PLC134879

Statement of Unaudited Financial Results for the Quarter ended 30th June, 2018

		(Rs. in Lakhs)			
SL. No.	PARTICULARS	Quarter Ended			Year Ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		(Unaudited)	(Audited) (refer note no. 11)	(Unaudited)	(Audited)
I	Revenue from operations	1,203.89	5,357.59	10,768.95	31,412.37
II	Other Income	254.58	18.42	97.91	431.15
III	<b>Total Income (I + II)</b>	<b>1,458.47</b>	<b>5,376.01</b>	<b>10,866.86</b>	<b>31,843.52</b>
IV	<b>Expenses :</b>				
	(a) Cost of Materials consumed	864.09	4,310.51	6,073.39	21,577.99
	(b) Purchases of Stock-in-trade	97.05	858.59	1,467.02	4,401.94
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	382.45	(76.35)	316.54	1,910.30
	(d) Employee benefits expense	214.17	321.47	372.78	1,457.67
	(e) Finance costs	2,088.57	1,495.18	2,846.59	5,351.94
	(f) Depreciation and amortisation expense	650.53	670.48	715.10	2,810.58
	(g) Other expenses	912.16	820.18	1,320.20	4,203.34
	<b>Total Expenses (IV)</b>	<b>5,209.02</b>	<b>8,400.06</b>	<b>13,111.61</b>	<b>41,713.76</b>
V	<b>Profit / (Loss) before exceptional items and tax (III - IV)</b>	<b>(3,750.55)</b>	<b>(3,024.05)</b>	<b>(2,244.75)</b>	<b>(9,870.24)</b>
VI	Exceptional items Gain/(Loss) (refer note 8)	-	(15,700.00)	-	(6,410.96)
VII	<b>Profit / (Loss) before tax (V - VI)</b>	<b>(3,750.55)</b>	<b>(18,724.05)</b>	<b>(2,244.75)</b>	<b>(16,281.20)</b>
VIII	<b>Tax expense</b>				
	(a) Current Tax	-	2.32	-	2.32
	(b) Deferred Tax	-	-	-	-
	<b>Total Tax Expense</b>	<b>-</b>	<b>2.32</b>	<b>-</b>	<b>2.32</b>
IX	<b>Net Profit/(Loss) after tax for the period (VII - VIII)</b>	<b>(3,750.55)</b>	<b>(18,726.37)</b>	<b>(2,244.75)</b>	<b>(16,283.52)</b>
X	<b>Other Comprehensive Income /(Loss)</b>				
	Items to be reclassified to profit or loss	-	-	-	-
	Income tax relating to items to be reclassified to profit or loss	-	-	-	-
	Items not to be reclassified to profit or loss	2.89	20.44	(2.96)	11.55
	Income tax relating to items not to be reclassified to profit or loss	-	-	-	-
XI	<b>Total Comprehensive Income (Comprising Profit/(Loss) and other comprehensive Income (IX + X))</b>	<b>(3,747.66)</b>	<b>(18,705.93)</b>	<b>(2,247.72)</b>	<b>(16,271.97)</b>
XII	Paid-up equity share capital (Face value of Rs. 10/- each)	37,206.71	37,206.71	36,686.00	37,206.71
XIII	Other Equity				(82,859.67)
XIV	Earnings per equity share (EPS) (Face value of Rs. 10/- each) (not annualised):				
	- Basic (Rs.)	(1.01)	(5.03)	(0.62)	(4.44)
	- Diluted (Rs.)	(1.01)	(5.03)	(0.62)	(4.44)



Notes:-

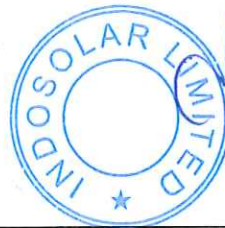
- 1 The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on August 10, 2018 and had undergone a 'Limited Review' by the Statutory Auditor's of the Company. These financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- 2 The operations of the Company relate to single segment i.e manufacturer of Solar Photovoltaic Cells.
- 3 During the year 2017-18, the Company has received the approval of One Time Settlement ('OTS') Scheme from Union Bank of India ('Bank') vide sanction letters (i) dated 20.10.2017 bearing reference no. REF:IFB:CR:IND:2017-18/2010; (ii) dated 26.10.2017 bearing reference no. REF:IFB:CR:IND:2017-18/2610; and (iii) dated 19.12.2017 bearing reference no. REF:IFB:CR:IND:2017-18/1912 (hereinafter referred to as the "Sanction Letters for OTS") which were duly approved by the Board of Directors in their meeting held on 20th December, 2017. The OTS proposal contains: (a) the waiver of interest till March 2018, (b) The company has written back interest liability amounting to Rs. 20,707.31 lakhs as provided in the books of accounts upto 30.09.2017 which comprises interest charged to the Profit & Loss Account (i) upto 31.03.2017- Rs. 15,211.12 lakhs (ii) for the period from 01.04.2017-30.09.2017- Rs. 3,317.83 lakhs and (iii) Rs. 2,178.36 lakhs decapitalised from CWIP (c) restructuring of loan liability amounting to Rs. 20,866.44 lakhs, carrying interest @ 1 Y MCLR (presently 8.20%) on monthly basis. MCLR to be rest on annual basis subject to a minimum of 8.20% p.a. and payable in 29 installments commencing from 31.10.2017 and ending on 31.03.2024, (d) conversion of part of the loan amounting to Rs. 20,700.00 lakhs into 1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) which are redeemable in 16 quarterly installments commencing from 30.06.2024 and ending on 31.03.2028. If the company does not pay as per stipulations, the OTS proposal will stands cancelled automatically and the bank will take suitable legal steps for recovery of entire dues. The Bank has option to convert OCCRPS into equity shares, in case of default in the payment of principal sum of the OCCRPS and Coupons on the Due Date. Provided that, a time period of 60 days to correct the default for the respective installments are allowed to the Company.
- 4 As on 30th June 2018, the current liabilities exceed the current assets by Rs.88,267.18 lakhs. Due to non-fulfillment of its obligations under CDR package, the Company's accounts became Non-Performing Assets ("NPA"). Therefore, long term borrowings had been classified as current liabilities except borrowings from Union Bank of India (refer note no. 3 above). 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.
- 5 In the matter of company's claim for eligibility of capital subsidy under SIP scheme of Govt. of India, the Special Leave petition (SLP) filed by the Department of Electronics & Information Technology (DEIT) against the order of the Hon'ble High Court of Delhi has been dismissed by the Hon'ble Supreme court vide its order dated August 25, 2017. DIT has since initiated the process of appraisal of the subsidy claim of the company. In the absence of the reasonable assurance, pending appraisal, the claim has not been recognized.
- 6 The management has performed an assessment of impairment of carrying value of Property, Plant and Equipment under installation, disclosed under CWIP, aggregating to Rs.56,447.97 lakhs as at March 31, 2018. The assessment has been done taking into consideration the future cash flow projections which is based on the imposition of safeguard duty on imports, domestic content requirement and the commencement of commercial production of Line-C (under installation). As per such assessment, the management has determined recoverable value of the assets, based on the value in use method and has recognized an impairment loss of Rs. 30,700.00 lakhs in the carrying value of Property, Plant and Equipment (CWIP) during the year ended March 31, 2018. In view of the above, the management believes that there would not be any further impairment during the quarter ended June 30, 2018.
- 7 In view of the domestic content requirement, the management's plan to commence the commercial production of Line-C (under installation) soon, company's claim for capital incentive (SIP) and ongoing settlement process with the remaining lenders, the management believes that it is appropriate to prepare the accounts on a going concern basis.



- 8 Exceptional items include (i) Waiver of interest by Union Bank of India amounting to Rs. 15,211.12 lakhs, (ii) Gain on modification of loan (treated as extinguishment) due to fair valuation of 1% OCCRPS in part settlement of debt of Union Bank of India amounting of Rs. 9,077.92 lakhs based on discounting rate using the rate of interest applicable on the remaining loans by the bank, (iii) Impairment of Plant & Machinery under installation and shown as capital work in progress amounting to Rs.15,000.00 lakhs during the quarter ended 31st December, 2017. The Company has further impaired Plant & Machinery under installation (shown as capital work in progress) amounting to Rs.15,700.00 lakhs during the quarter ended 31st March, 2018.
- 9 Pending settlement, the Company has not provided, (i) interest of Rs.1,242.72 lakhs for the quarter ended 30th June 2018, (ii) on the basis of confirmation received, Companies liability to the ARCIL is more by Rs.1,343.36 lakhs as on 30th June 2018 which prima facie appears to be primarily compound interest on outstanding loans assigned by Andhra Bank & Indian Bank to Asset Reconstruction Company (India) Limited (ARCIL).
- 10 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 the Company has spent Rs.187,219.76 lakhs (including amortisation of plant and machinery amounting to Rs.44,688.96 lakhs) in foreign currency for Raw Material consumption, Stores & Spares and Expenses in foreign currency including amortization of all imported Plant and Machinery Line A&B and the Company has earned in foreign currency equivalent to Rs. 210,032.06 lakhs as per para 6.9(f) of FTP resulting into positive NFE Rs. 22,812.30 lakhs. In case the Company also amortizes value of Line-C till date (commercial production is yet to start) the Company's NFE will become negative to the extent Rs. 7,810.72 lakhs. In view of the future projections, the management is hopeful of achieving positive NFE and expects no cash outflow on this account.
- 11 Figures of the quarter ended March 31, 2018 being the balancing figures in respect of the full financial year ended March 31, 2018 and the unaudited year to date figures upto the nine months ended December 31, 2017.

On behalf of the Board of Directors

Place: Greater Noida  
Dated: August 10, 2018



  
Hulas Rahul Gupta  
Managing Director  
DIN 00297722