INDOSOLAR LIMITED
CIN: L18101DL2005PLC134879
Regd. Office: C-12, Friends Colony (East), New Delhi- 110065
Tel.: 011-26841375, Fax: 011-26843949
E mail: investors@indosolar.co.in, Website: www.indosolar.co.in

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2015 **(Rs. in Lakhs)**

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year ended	Year ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited *	Un-audited	Audited *	Audited	Audited
	Part I					
1	**Income from operations**					
a	Net sales/income from operations (net of excise duty) (Refer note 10)	14,373.09	10,424.24	288.13	29,193.27	1,538.88
b	Other operating income	390.33	11.27	0.05	404.01	27.97
	Total income from operations (net)	**14,763.42**	**10,435.51**	**288.18**	**29,597.28**	**1,566.85**
2	**Expenses:**					
a	Cost of materials consumed	8,897.98	6,771.38	0.68	18,542.47	101.54
b	Purchase of stock in trade	-	24.72	92.77	326.01	518.67
c	Changes in inventories of finished goods, work-in-progress and stock in trade	1,024.44	417.31	187.58	986.11	621.09
d	Employee benefits expense (Refer note 13)	389.35	343.89	52.14	1,038.53	313.05
e	Depreciation and amortisation expense (Refer note 6)	714.40	381.55	744.32	2,698.34	3,018.70
f	Power and fuel	484.47	548.42	1.79	1,706.67	65.22
g	Foreign exchange (gain)/ loss (net)	-	-	(193.54)	-	694.44
h	Demurrage/detention charges	-	-	1,308.36	-	1,308.36
i	Other expenses	823.91	621.57	219.39	2,224.89	788.26
	Total expenses	**12,334.55**	**9,108.84**	**2,413.49**	**27,523.02**	**7,429.33**
3	**Profit/(loss) from operations before other income, finance cost (1-2)**	**2,428.87**	**1,326.67**	**(2,125.31)**	**2,074.26**	**(5,862.48)**
4	Other income (Refer note 5)	102.49	93.76	77.95	392.16	242.58
5	**Profit/(loss) from ordinary activities before finance costs (3+4)**	**2,531.36**	**1,420.43**	**(2,047.36)**	**2,466.42**	**(5,619.90)**
6	Finance costs (Refer note 14)	2,450.45	2,472.78	2,054.55	10,283.43	8,075.45
7	**Profit/(loss) from ordinary activities before tax (5-6)**	**80.91**	**(1,052.35)**	**(4,101.91)**	**(7,817.01)**	**(13,695.35)**
8	Tax expenses	-	-	-	-	-
9	**Profit/(loss) after taxes (8-9)**	**80.91**	**(1,052.35)**	**(4,101.91)**	**(7,817.01)**	**(13,695.35)**
10	Paid up equity share capital (Face value-Rs.10 each)	35,813.00	35,813.00	33,514.40	35,813.00	33,514.40
11	Reserves (excluding revaluation reserve, if any)	-	-	-	(46,464.57)	(38,601.64)
12	Earning per share (before extraordinary item) (in Rs.) **(not annualised)**					
	Basic	0.02	(0.30)	(1.22)	(2.26)	(4.09)
	Diluted	0.02	(0.30)	(1.22)	(2.26)	(4.09)
	Part II					
A	**Particulars of Shareholding**					
1	Public shareholding					
	- Number of shares	155,289,030	155,644,030	153,144,030	155,289,030	153,144,030
	- Percentage of shareholding	43.36%	43.46%	45.70%	43.36%	45.70%
2	Promoters and promoter group shareholding					
	a) Pledged/ encumbered (Refer note 6)					
	- Number of shares	136,885,495	136,885,495	136,885,495	136,885,495	136,885,495
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.48%	67.60%	75.21%	67.48%	75.21%
	- Percentage of shares (as a % of the total share capital of the company)	38.22%	38.22%	40.84%	38.22%	40.84%
	b) Non encumbered (Refer note 6)					
	- Number of shares	65,955,475	65,600,475	45,114,502	65,955,475	45,114,502
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.52%	32.40%	24.79%	32.52%	24.79%
	- Percentage of shares (as a % of the total share capital of the company)	18.42%	18.32%	13.46%	18.42%	13.46%

* Figures for the 3months ended 31 March 2015 and 31 March 2014 repetively 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 subject to audit.

	Particulars	Quarter ended 31.03.15
B	**Investor Complaints**	
	Pending at the beginning of the quarter	-
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	-

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

Date:04.05.2015
Place:New Delhi

Managing Director

1 Standalone Statement of Assets and Liabilities (Rs. in Lakhs)

	Particulars	Audited As at 31 March 2015	Audited As at 31 March 2014
A	**Equity and Liabilities**		
1	**Shareholders' funds**		
	(a) Share capital	36,763.00	34,464.40
	(b) Reserves and surplus	(46,464.57)	(38,601.64)
	Sub-total - Shareholders' funds	**(9,701.57)**	**(4,137.24)**
2	**Non-current liabilities**		
	(a) Long-term borrowings	59,776.34	72,927.59
	(b) Other long-term liabilities	-	6,688.70
	(c) Long-term provisions	25.57	16.58
	Sub-total - Non-current liabilities	**59,801.91**	**79,632.87**
3	**Current liabilities**		
	(a) Short-term borrowings	8,739.12	7,239.24
	(b) Trade payables	1,131.02	1,410.15
	(c) Other current liabilities	52,495.53	31,910.34
	(d) Short-term provisions	12.24	1.44
	Sub-total - Current liabilities	**62,377.91**	**40,561.17**
	Total - Equity and liabilities	**112,478.25**	**116,056.80**
B	**Assets**		
1	**Non-current assets**		
	(a) Fixed assets	104,416.03	106,072.81
	(b) Long-term loans and advances	943.17	1,126.74
	(c) Other non-current assets	205.41	3,252.09
	Sub-total - Non-current assets	**105,564.61**	**110,451.64**
2	**Current assets**		
	(a) Inventories	2,223.70	3,672.41
	(b) Trade receivables	156.54	331.48
	(c) Cash and cash equivalents	2,450.88	221.12
	(d) Short-term loans and advances	2,029.92	1,311.46
	(e) Other current assets	52.60	68.69
	Sub-total - Current assets	**6,913.64**	**5,605.16**
	Total - Assets	**112,478.25**	**116,056.80**

2 The Company has made a profit in the current quarter though on a full year basis company has made a loss resulting in further erosion of its net worth which had already been fully eroded as at 31 March 2014. Accordingly the company has, during the previous quarter, made reference to BIFR (Board of Industrial and Financial Reconstruction) on 26 November 2014 in accordance with the requirements of Sick Industrial Companies Act, 1985.

On an overall basis as on 31 Mach 2015, the short term liabilities exceed the short term assets by Rs 55,464.27 lakhs, including an amount of INR 26,522.78 lakhs, became payable as per the terms of the first Corporate Debt Restructuring package and further an amount of INR 21,210.94 lakhs will become repayable by 31 March 2016. The above includes, outstanding foreign currency liabilities for purchase of raw material and capital goods aggregating to Rs. 3,866.32 lakhs which are outstanding for a period of more than 3 years as at 31 March 2015. Due to continued liquidity issues, the Company had approached the bankers for a second Corporate Debt Restructuring Package and the same is under active consideration with all consortium member banks.

3 The Solar industry has witnessed turmoil owing to significant downturn in the global market due to structural over supply situation. However, the domestic market as a result of several government initiatives to enhance solar power capacity in India has been showing an upturn off late. The Company which had not been able to utilize its capacity for a significant part of the last two years has recently won orders aggregating to 132.65 MW for an aggregate consideration of Rs. 37,500 lakhs, as a result of which the plant has recommenced commercial production in the quarter ended 30 September 2014 and utilised full capacity in the last two quarters ending 31 March 2015.

During the previous year, there have been some key policy announcements in the guidelines issued under the 'Jawaharlal Nehru National Solar Mission (JNNSM), Phase-II, Batch-I' that provided for bidding with domestic content requirement (both PV/ thin film based cells and modules must be manufactured in India). Certain Public Sector Units (PSU) have also announced solar installation plans with domestic content requirement. The guidelines issued under JNNSM provide that such projects shall be incentivised by way of 'Viability Gap Funding' and the extent of funding shall be determined basis the project cost of setting up of such projects. The impact of these policy decisions in terms of pricing and orders placed on the Company shall be known only in the next few quarters.

On the regulatory side, the Anti Dumping Duty application filed by Solar Manufacturers Association of India dated 18th January 2012, has been withdrawn by the association in view of the government's assurance of its intention to support domestic industry and meet its ambitious targets of solar installation.

Considering the domestic content requirements as put out in the guidelines and other expression of interests issued by certain PSUs, procurement of recent orders and resumption of fully capacity production since the previous quarter and a techno economic viability conducted by an external expert which forms the basis of the application for seeking a second Corporate Debt Restructuring package, management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31 March 2015 and that it is appropriate to prepare the accounts on a going concern basis. The issue relating to the Company's eligibility for certain capital incentives is currently under litigation and the outcome is not known at present.

4 The Company had been awarded a turnkey contract by MP Urja Vikas Nigam Limited (MP Urja) for setting up of 3MW (in aggregate) SPV Power Plants with a capacity ranging between 10-50 KW per plant, vide letter of intent dated 12 September 2012, through a tender process during the quarter ended 31 December 2012. The contract included design, engineering, supply, installation and commissioning and interfacing of Solar Photovoltaic Power Plants (SPVPP) with 5 years Warranty Cum Comprehensive Maintenance Contract (CMC). In accordance with the stipulated terms of the contract, the Company has deposited earnest money deposit (EMD) amounting to Rs. 60.10 lakhs. Out of the total contract, work orders aggregating to 1.6 MW amounting to Rs. 2,914.13 lakhs was raised on the Company that was required to be executed till 30 June 2013. The Company has raised the bills for having completed 0.1 MW (5 sites) until 31 March 2014 and the dues outstanding in relation to the executed portion amounts to Rs. 177.23 lakhs. The Company had also filed an application seeking extension with MP Urja for completion of the unexecuted work.

During the previous year, the Company had received a final notice from MP Urja rejecting the extension plea and deciding to cancel the work order (other than the 3 sites considered completed by MP Urja) given to the Company alongwith the forfeiture of EMD and imposition of penalty due to the non compliance by the Company. MP Urja had also stated in the notice that it shall take action against the Company on account of breach of terms and conditions of the agreement. The contract stipulates a penalty if there is a delay in completing the work order that can extend to a maximum of 10 % of the order value and MP Urja will be free to purchase the balance goods from elsewhere without notice to the Company and carry out the unexecuted work, at Company's cost and risk. Also, any loss or damage that MP Urja may sustain due to such failure MP Urja shall have a right to recover any loss or damage, if any, from any sum payable to the Company. Further, if recovery is not possible from the Company on account of the Company's failure to pay the losses or damages within one month from the claim, the recovery shall be made under Madhya Pradesh Public Demand Recovery Act or any other law applicable under these circumstances.

The Company is contesting the MP Urja claims citing logistical issues, delay in handing over the sites and delays in issuing site completion reports by MP Urja and has requested to recall the notice for cancellation of work orders and has further requested to allow the Company to complete the pending work allocated. The response of MP Urja is still waited. However, the management is under final negotiation with the department and hope the matter will be resolved in the next 2 quarter of the next financial year and outstanding amount will be realised after adjusting sum amount of penalties which is not yet ascertained. As a consequence, the impact of the loss or damage due to the action that MP Urja may take and the outcome of the final notice issued, that may include forfeiture of EMD, adjusting the dues against any loss or damage and levy of penalty, in the light of the Company expressing its inability to complete the order within the stipulated time period, is uncertain and the same shall crystallise only on the conclusion of discussion and the actions that the authorities may take against the Company.

5 Prior period adjustments:
The results for the current quarter includes Foreign exchange loss recognised on restatement of Buyer's Credit amounting to Rs. 11.48 lakhs pertaining to the quarter ended 31 December 2014 and Rs. 18.63 lakhs pertaining to the quarter ended 30 September 2014.

6 Pursuant to Companies Act, 2013 ('the Act') being effective from 01 April 2014, the Company has revised depreciation rates as per the useful life specified in Part 'C' of Schedule II of the Act or as per the management's estimate based on preliminary internal/ external evaluation for all of its assets. As a result of this change, the depreciation charge for the quarter and for the year ended 31 March 2015 is lower by Rs. 551.71 lakhs and Rs.1,436.27 lakhs respectively. In respect of the assets whose useful life is already exhausted as on 01 April 2014, depreciation of Rs. 45.92 lakhs (net of tax impact of Rs. Nil) has been adjusted in Reserves and Surplus in accordance with the requirements of Schedule II of the Act.

7 The Company has incurred expenses in foreign currency (including amortisation of imported machinery) amounting to Rs. 115,937.53 lakhs till 31 March 2015. Such machinery and raw material have been imported without payment of customs duty, being an Export Oriented Unit, on the basis of an undertaking given to customs authorities that the Company shall be able to earn a positive Net Foreign Exchange within ten years from the commencement of its operation. At current quarter end (i.e. after five years of commencement of its operations), the Company's earnings is a negative Net Foreign Exchange Earnings of Rs. 6,585.79 lakhs (previous quarter Rs. 18,557.22 lakhs). On a 5 year block basis the company had achieved the negative NFE of Rs. 26,102.08 lakhs upto 31 March 2014. In the next block of five years starting from 1 April 2014 till end of current quarter, the Company could achieve positive NFE of Rs. 19,516.29 lakhs. As explained in Note 2 above, the ability of the Company to meet its export obligations over the next 5 years is dependent on various factors which have created multiple uncertainties, the effect of which , is not ascertainable at present.

8 During the previous year, the Company has received a show cause notice from the Office of the Commissioner, Customs, Central, Excise & Service Tax Commissionerate ('Authority), Noida, whereby the authority has asked the Company to explain why custom duty of Rs. 9,430.19 lakhs along with interest and penalty thereon should not be levied on the Company in respect of import of duty free capital goods, as the Company could not install the machinery within the stipulated time period. The Company has filed its reply with the authority citing the delays in installation primarily due to financial constraint arising out of the downturn in the solar industry. The case has been heard on 28th April 2015 and final order is awaited.

9 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" prescribed by Companies (Accounting Standard) Rules, 2006 are not applicable.

10 During the quarter ended 30 June 2014, the Company has entered into two contracts with one of its customers for purchase of raw material (wafers) and supply of solar cells, wherein supplies are to made after conversion of the raw material supplied by the customer resulting in a fixed net margin. The contract stipulates that the Company shall purchase raw material in quantities as mutually agreed in the contract and the payment in respect of the same shall be adjusted from the subsequent supplies of solar cells. Further, as per terms of the contracts, the Company has the primary responsibility for providing the goods or services to the customer or for fulfilling the order. Further significant risk and rewards of ownership in respect of the materials are being transferred to the respective parties under respective contracts. Accordingly, the Company has recorded the transactions at gross amount as purchase of raw material and sale of product as it believes that the both the purchase and sale arrangements are on a Principal to Principal basis.

11 The solar cell manufacturing line includes a process called Light Induced Plating (LIP) currently not utilized fully to conserve the cost of operation. Our technology partner is upgrading the process technology which shall enable full utilization of LIP giving better solar cell efficiency at lower cost. The original cost of these equipments was Rs. 4,492.67 lakhs and present WDV as on 31 March 2015 is Rs. 3,092.52 lakhs. In view of the plans to utilize the machinery in the near future post the development of the necessary technology, the management considers it appropriate that there is no impairment in respect of the said asset.

12 During the previous quarter, the Company has allotted 2,29,85,973 equity shares on preferential allotment basis. Out of this, the Company has allotted 1,44,53,185 equity shares against cash and 60,32,788 equity shares against conversion of External Commercial Borrowing to Greenlite Lighting Corporation, a promoter group company and 25,00,000 equity shares to Skybase Infra Private Limited, a non-promoter company against conversion of unsecured loan.

13 During the current quarter, the company has accrued/ paid managerial remuneration of Rs. 97 lakhs which is in excess of the limits prescribed under schedule V read with section 197 of the Companies Act, 2013.The Company has filed application to Central government for the approval of the same. However, response of the Central Government is still awaited in this regard. Management is expecting the approval in due course and the remuneration so paid has been charged under the head employees benefit expenses.

14 Pending approval of CDR package II, the interest on borrowing has been accrued at the rates negotitaed as part of CDR package I. However, actual interest may varies upon approval of CDR Package II.

15 The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 04 May 2015. 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: 04 May 2015
Place: New Delhi

Managing Director