INDOSOLAR LIMITED
Regd. Office: C-12, Friends Colony (East), New Delhi-110065
FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2011

(Rupees in lakhs)

Sl. No.	Particulars	Fourth quarter ended		Year ended	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	**(a) Net Sales/Income from Operations**	8,201.59	9,152.68	54,340.19	11,251.67
	(b) Other Operating Income	24.92	632.23	3,775.59	1,878.21
	Total	**8,226.51**	**9,784.91**	**58,115.78**	**13,129.88**
2	Expenditure				
	a. (Increase)/decrease in stock in trade and work in progress	(3,021.70)	837.74	(2,766.75)	(2,967.40)
	b. Consumption of raw materials	9,354.81	8,348.85	51,228.23	14,349.47
	c. Manufacturing expenses	233.14	311.87	3,227.04	1,796.18
	d. Purchase of traded goods	-	-	-	-
	e. Employees cost	329.34	177.55	1,218.94	849.76
	f. Depreciation	1,086.30	931.39	5,182.86	1,873.62
	g. Other expenditure	1,527.15	51.28	3,175.99	1,158.31
	h. Total	**9,509.04**	**10,658.68**	**61,266.31**	**17,059.94**
3	**Profit from Operations before other Income, interest & exceptional items (1-2)**	(1,282.53)	(873.77)	(3,150.53)	(3,930.06)
4	Other income	327.90	6.09	916.75	17.97
5	**Profit before interest & exceptional items (3+4)**	(954.63)	(867.68)	(2,233.78)	(3,912.09)
6	Interest	1,738.70	1,130.13	6,766.77	2,718.76
7	**Profit after interest but before exceptional items (5-6)**	(2,693.33)	(1,997.81)	(9,000.55)	(6,630.85)
8	Exceptional item	3,167.65	-	3,167.65	-
9	**Profit (+)/Loss (-) from ordinary activities before tax (7+8)**	474.32	(1,997.81)	(5,832.90)	(6,630.85)
10	**Tax expense**	1.34	6.14	1.34	7.51
11	**Net Profit (+)/Loss (-) from ordinary activities after tax (9-10)**	472.98	(2,003.95)	(5,834.24)	(6,638.36)
12	Extra ordinary / Prior period item (net of tax expenses)	70.45	-	90.31	-
13	**Net Profit (+)/Loss (-) for the period (11+12)**	543.43	(2,003.95)	(5,743.93)	(6,638.36)
14	Paid-up equity share capital (Face value Rs. 10 each)	33,514.40	20,840.00	33,514.40	20,840.00
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	21,487.59	364.00	21,487.59	364.00
16	Earning Per Share (EPS) (Rs.)				
	(a) Basic and diluted EPS before exceptional and extraordinary items for the period, for the year to date and for the previous year(not to be annualized)	(0.80)	(0.97)	(3.24)	(3.32)
	(b) Basic and diluted EPS after exceptional and extraordinary items for the period, for the year to date and for the previous year(not to be annualized)	0.16	(0.97)	(2.09)	(3.32)
17	Public shareholding				
	- Number of Shares	128,144,030	-	128,144,030	-
	- Percentage of Shareholding	38.24%	-	38.24%	-
18	Promoters' and Promoter Group Shareholding				
	(a) Pledged/Encumbered				
	- Number of Shares	69,812,000	69,812,000	69,812,000	69,812,000
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	33.73%	33.73%	33.73%	33.73%
	- Percentage of Shares (as a % of the total share capital of the Company)	20.83%	33.50%	20.83%	33.50%
	(b) Non-encumbered				
	- Number of Shares	137,187,997	137,187,997	137,187,997	137,187,997
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	66.27%	66.27%	66.27%	66.27%
	- Percentage of Shares (as a % of the total share capital of the Company)	40.93%	65.83%	40.93%	65.83%

Notes to the results for the year ended 31 March 2011

1 Statement of assets and liabilities *(Rupees in lakhs)*

Particulars	As at 31 March 2011 (Audited)	As at 31 March 2010 (Audited)
Shareholders funds		
(a) Share Capital	33,514.40	20,840.00
(b) Reserves and Surplus	21,487.59	364.00
(c) Share application money pending allotment	-	1,516.50
Loan Funds	52,450.00	54,373.49
TOTAL	**107,451.99**	**77,093.99**
APPLICATION OF FUNDS:		
Fixed Assets	71,389.43	66,337.59
Intangible Assets	8.61	7.79
Investments	6,600.00	-
Current Assets, Loans and Advances:		
(a) Inventories	9,986.68	7,733.83
(b) Sundry Debtors	6,308.19	2,310.51
(c) Cash and Bank Balances	4,188.28	2,410.97
(d) Loans and Advances	1,707.75	1,371.47
(e) Other Current Assets	-	-
Less: Current Liabilities and Provisions		
(a) Liabilities	(6,455.98)	(11,345.25)
(b) Provisions	(49.51)	(27.13)
Miscellaneous Expenditure (Not written off or Adjusted)	-	269.61
Profit and Loss account	13,768.54	8,024.60
TOTAL	**107,451.99**	**77,093.99**

2 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.

3 During the year ended 31 March 2011, the Company made an Initial Public Offer "IPO" of its equity shares and allotted 123,103,448 Equity shares of Rs.10 each at a premium of Rs.19 per equity shares aggregating to Rs. 35,700 lakhs. Consequently, the paid up Equity Share Capital and Securities Premium Account have been increased by Rs.12,310.34 lakhs and Rs.23,389.66 lakhs, respectively.

4 Until 31 March 2010, the Company had an accounting policy to amortise the share issue expenses over a period of 5 years. The share issue expenses in connection with the public offer aggregating to Rs.3,358.24 lakhs including the balance of Rs.269.61 lakhs remaining unamortised as at 31 March 2010, has now been adjusted against the Securities Premium Account as permitted under Section 78 of the Companies Act, 1956, on account of a change in the accounting policy in the year ended 31 March 2011. Had the Company continued to follow the same accounting policy, the miscellaneous expenditure written off and the net loss would have been higher by Rs.347.78 lakhs for the year ended and miscellaneous expenditure would have been higher by Rs.3,010.46 lakhs as at 31 March 2011.

5 As per an ordinary resolution dated 31 January 2011 by Shareholders u/s 61 of the Companies Act, 1956, the Board had decided to go for expansion by 200 MW instead of 100 MW and to utilise IPO proceeds to the extent of Rs.20,000 lakhs for such expansion and balance IPO proceeds to be utilised for other purposes.

6 The Company has spent Rs.12,317.76 lakhs towards the expansion project. The Company has also opened a LC of Euro 32.40 million for import of equipment.

7 During the year the Company has received a credit note from principal supplier of machinery of Line B amounting to Euro 1.50 million (equivalent to Rs. 905 lakhs) to compensate for the delay in the supply of machinery in accordance with the terms of the contract. The amount of credit note has been adjusted with the value of plant and machinery and the depreciation has been accordingly, recomputed with retrospective effect, resulting in an downward adjustment to depreciation charge by Rs.67.67 lakhs in the year ended 31 March 2011.

8 Exceptional item represents an amount of Euro 5.00 million (equivalent to Rs. 3,167.65 lakhs) received by the Company from the supplier of machinery for cash support towards operational losses incurred during the period April 2010 to September 2010, in view of delay in stabilization of operations.

9 The Company is in the process of claiming diesel duty refund in accordance with the provisions of Foreign Trade Policy. The Company has recognized an asset for duty refund of Rs. 209.96 lakhs.

10 Prior period item represents the recognition of silver in the books of account as scrap stock in inventory amounting to Rs.19.86 lakhs relating to 31 March 2010. Such stock has been recognised in the year ended 31 March 2011. It also includes diesel duty refund recognised in the books amounting to Rs.70.45 lakhs relating to 31 March 2010.

11 The stock of diesel, a consumable item, has been accounted for as inventory in the books of account in the year ended 31 March 2011. Until 31 March 2010, the Company's accounting policy was to charge the consumable stores to the profit and loss account, at the point of purchase. Had the Company continued to follow the same accounting policy, the manufacturing expenditure would have been higher by Rs.16.91 lakhs and the net loss would have been higher by Rs.16.91 lakhs.

12 The Company has significant unabsorbed depreciation/ carry forward losses as per the tax laws. In view of the absence of virtual certainty of realisation of carry forward tax losses/ unabsorbed depreciation in the foreseeable future, deferred tax assets has been recognised to the extent of deferred tax liability.

13 There were no outstanding complaints from the shareholders at the beginning of the quarter and all the 6 complaints received from the shareholders during the quarter have been replied to, satisfactorily.

14 The current quarter and year ended figures are not comparable to the corresponding previous quarter and year ended figures, respectively as the Company was in the start-up phase and had commenced its commercial production on 17 July 2009 including the fact that the Company had significantly increased its capacity by setting up additional line for manufacture of solar cells on 17 March 2010.

15 Previous year figures have been regrouped / recast wherever necessary to conform to current year's classification.

16 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 09 May 2011.

For and on behalf of the Board of Directors
Indosolar Limited
Sd/-

H.R.Gupta
Managing Director

Place: New Delhi
Date: 09 May 2011