INDOSOLAR LIMITED
Regd. Office: C-12, Friends Colony (East), New Delhi-110065
STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2013

(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
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		Audited *	Un-audited	Audited *	Audited	Audited
	Part I					
1	Income from operations					
a	Net sales/income from operations (net of excise duty)	3,365.91	1,604.27	76.73	5,311.55	8,134.26
b	Other operating income	3.65	0.88	1.49	11.79	1,063.23
	Total income from operations (net)	3,369.56	1,605.15	78.22	5,323.34	9,197.49
2	Expenses:					
a	Cost of materials consumed	3,781.19	1,268.46	30.45	5,690.88	8,611.61
b	Purchase of stock in trade	10.61	61.81	-	146.37	-
c	Changes in inventories of finished goods, work-in-progress and stock in trade	594.40	(1,027.00)	158.74	(1,087.01)	4,892.41
d	Employee benefits expense	234.06	212.03	239.35	893.25	1,046.95
e	Depreciation and amortisation expense	1,411.42	937.53	944.73	3,909.78	3,421.76
f	Power and fuel	480.91	199.65	73.25	1,051.10	702.29
g	Other expenses	279.29	426.50	1,701.93	1,534.13	5,354.93
	Total expenses	6,791.88	2,078.98	3,148.45	12,138.50	24,029.95
3	Loss from operations before other income, finance cost and exceptional items (1-2)	(3,422.32)	(473.83)	(3,070.23)	(6,815.16)	(14,832.46)
4	Other income	81.49	53.84	1,983.67	256.90	521.08
5	Loss from ordinary activities before finance costs and exceptional items (3+4)	(3,340.83)	(419.99)	(1,086.56)	(6,558.26)	(14,311.38)
6	Finance costs #	1,964.66	1,331.61	287.36	5,924.42	5,925.09
7	Loss from ordinary activities after finance cost but before exceptional items (5-6)	(5,305.49)	(1,751.60)	(1,373.92)	(12,482.68)	(20,236.47)
8	Exceptional items gain/ (loss)	-	-	-	93.82	-
9	Loss from ordinary activities before tax (7-8)	(5,305.49)	(1,751.60)	(1,373.92)	(12,388.86)	(20,236.47)
10	Tax expenses	-	-	-	-	-
11	Loss from ordinary activities after tax (9-10)	(5,305.49)	(1,751.60)	(1,373.92)	(12,388.86)	(20,236.47)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Loss after taxes (11+12)	(5,305.49)	(1,751.60)	(1,373.92)	(12,388.86)	(20,236.47)
14	Paid up equity share capital	33,514.40	33,514.40	33,514.40	33,514.40	33,514.40
	(Face value-Rs.10/-each)					
15	Reserves (excluding revaluation reserve, if any)	-	-	-	(24,906.28)	(12,517.42)
16	Earning per share (before extraordinary item) (in Rs.) (not annualised)					
	Basic	(1.58)	(0.52)	(0.41)	(3.70)	(6.04)
	Diluted	(1.58)	(0.52)	(0.41)	(3.70)	(6.04)
17	Earning per share (after extraordinary item) (in Rs.) (not annualised)					
	Basic	(1.58)	(0.52)	(0.41)	(3.70)	(6.04)
	Diluted	(1.58)	(0.52)	(0.41)	(3.70)	(6.04)
	Part II					
A	Particulars of Shareholding					
1	Public shareholding					
	- Number of shares	128,144,030	128,144,030	128,144,030	128,144,030	128,144,030
	- Percentage of shareholding	38.24%	38.24%	38.24%	38.24%	38.24%
2	Promoters and promoter group shareholding					
	a) Pledged/ encumbered	136,885,495	136,885,495	136,885,495	136,885,495	136,885,495
	- Number of shares	66.13%	66.13%	66.13%	66.13%	66.13%
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	40.84%	40.84%	40.84%	40.84%	40.84%
	- Percentage of shares (as a % of the total share capital of the company)					
	b) Non encumbered					
	- Number of shares	70,114,502	70,114,502	70,114,502	70,114,502	70,114,502
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	33.87%	33.87%	33.87%	33.87%	33.87%
	- Percentage of shares (as a % of the total share capital of the company)	20.92%	20.92%	20.92%	20.92%	20.92%

* Figures for the three months ended 31 March 2013 and 31 March 2012 respectively, are the balancing figures between the audited figures in respect of the 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 the third quarter were only reviewed and not subject to audit.

Refer note 3 relating to restatement of 'Finance cost'

	Particulars	Quarter ended 31.03.13
B	Investor Complaints	
	Pending at the beginning of the quarter	-
	Received during the quarter	5
	Disposed of during the quarter	5
	Remaining unresolved at the end of the quarter	-

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

Date : 29 May 2013
Place: New Delhi

Managing Director

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

Particulars		Audited As at 31 March 2013	Audited As at 31 March 2012
A	Equity and Liabilities		
1	Shareholders' funds		
	(a) Share capital	34,464.40	33,514.40
	(b) Reserves and surplus	(24,906.28)	(12,517.42)
	Sub-total - Shareholders' funds	9,558.12	20,996.98
2	Non-current liabilities		
	(a) Long-term borrowings	84,483.20	73,314.84
	(b) Other long-term liabilities	5,633.05	5,535.56
	(c) Long-term provisions	30.51	25.26
	Sub-total - Non-current liabilities	90,146.76	78,875.66
3	Current liabilities		
	(a) Short-term borrowings	4,416.08	2,956.97
	(b) Trade payables	4,328.60	2,500.58
	(c) Other current liabilities	5,751.06	3,289.08
	(d) Short-term provisions	7.06	10.97
	Sub-total - Current liabilities	14,502.80	8,757.60
	Total - Equity and liabilities	114,207.68	108,630.24
B	Assets		
1	Non-current assets		
	(a) Fixed assets	102,228.68	98,143.72
	(b) Long-term loans and advances	1,509.54	1,068.58
	(c) Other non-current assets	3,091.97	2,918.06
	Sub-total - Non-current assets	106,830.19	102,130.36
2	Current assets		
	(a) Current investments	-	9.65
	(b) Inventories	4,045.17	3,210.60
	(c) Trade receivables	1,783.10	1,081.87
	(d) Cash and cash equivalents	294.65	1,046.91
	(e) Short-term loans and advances	1,182.30	1,000.01
	(f) Other current assets	72.27	150.84
	Sub-total - Current assets	7,377.49	6,499.88
	Total - Assets	114,207.68	108,630.24

2 The Company has incurred significant losses in the current quarter and year ended 31 March 2013 resulting in substantial erosion of its net worth because of which the reference required in case of erosion of more than 50% of peak net worth was made to BIFR on 22 November 2012.

The Solar industry has witnessed turmoil owing to significant downturn in the global market due to structural over supply situation resulting in a significant reduction in prices of PV cells. As a result, the Company was unable to utilise its capacity as the cost of production of solar cells continued to be higher than the prevailing market prices and the plant has remained shut for a significant part of the current year and for the other part of the year has been operational at significantly low levels of capacity utilisation. Due to continuing pricing pressure the plant has been shut again in April 2013. Due to the prevailing conditions, the actual net cash inflows during the year ended 31 March 2013 are significantly lower than the projections for the same period incorporated in the first CDR package. Accordingly, the cash flow projections approved as part of the first CDR package are no longer reliable and future cash flows in the light of prevailing conditions is not determinable. Due to continued liquidity issues, the Company has approached the bankers for a second Corporate Debt Restructuring package. The response of the banks is awaited.

Results of key policy decisions necessary for the revival of the sector remain unknown at present. Some of these relate to: a) the imposition of Anti Dumping Duty per the application filed by Solar Manufacturers Association of India dated 18th January 2012; b) domestic content requirements for thin film technology; c) Incentivisation programme for solar projects; and d) eligibility of the Company for certain capital incentives.

As at the balance sheet date, the short term liabilities are exceeding the short term assets Rs. 7,125.31 lakhs. Also, as per the terms of Corporate Debt Restructuring package an amount of Rs. 2,281.89 lakhs representing 3% of the outstanding Term Loans, Funded Interest Term Loans, Working Capital Demand Loan and Priority Term Loan shall become payable in the year ending 31 March 2014. Further, there is a quarterly interest thereon which shall become payable from the beginning of the quarter ending 30 September 2013.
The above factors create multiple uncertainties and the effect thereof on the financial statements, if any, is not ascertainable.

3 During the year ended 31 March 2012, due to prevailing conditions as explained in Note 1, the Company had been incurring significant cash and operating losses. Accordingly, the Company requested the Lenders for debt restructuring and the request was referred to the Corporate Debt Restructuring Forum, (hereinafter referred to as the "CDR CELL"). Pursuant thereto, the CDR Empowered Group approved a restructuring package in terms of which the Existing Financial Assistance was restructured and certain additional financial assistance was sanctioned per the Letter of Approval dated 7 March 2012. The Company had accordingly given effect to the CDR scheme w.e.f. from 1 July 2011, in the financial statements for the year ended 31 March 2012. However one of the banks of the consortium group i.e. Indian Bank had not agreed to the CDR package and had not signed the Master Restructuring Agreement (MRA). The MRA was signed by the concerned bank on 5 July 2012.

The debt restructuring package was given effect in the quarter ended 31 March 2012, in lieu of which appropriate adjustments were made. Also, reconciliations had been carried out in relation to borrowings from Indian Bank taking the effect of the MRA wherein the excess of interest charged in the period 1 July 2011 to 31 October 2011 amounting to Rs. 93.82 lakhs has been credited/ received from Indian Bank, the effect of which had been disclosed as an exceptional item.

In accordance with the CDR scheme the consortium of lenders had waived the obligation of the Company to pay any liquidated damages, default or penal interest / interest / further interest charged by the Lenders in excess of the concessional rates approved under CDR package. The effect of such waiver was given in the quarter ended 31 March 2012 and the consequential benefit thereof was included as an exceptional item in that quarter. As a consequence, the results for the quarter ended 31 March 2012 had incorporated the effect of the interest credit received including the period 1 July 2011 to 31 December 2011 amounting to Rs. 921.14 lakhs. Management has accordingly, given the effect of the interest credit received in 'Finance cost' by restating the figures for the quarter ended 31 December 2011 and 31 March 2012 amounting to Rs. 656.36 lakhs and Rs. 921.14 lakhs respectively. The effect of the adjustments and the impact thereof on the respective periods (as published earlier) is detailed below:

Particulars	Restated Quarter ended Audited 31.03.2012	Restated Quarter ended Un-audited 31.12.2011	Published Quarter ended Audited 31.03.2012	Published Quarter ended Un-audited 31.12.2011
Finance cost	287.36	2,000.06	1,208.50	1,343.70
Loss after taxes	2,295.06	4,193.79	1,373.92	3,537.43
Earnings per share - Basic	(0.68)	(1.25)	(0.41)	(1.06)
Earnings per share - Diluted	(0.68)	(1.25)	(0.41)	(1.06)

As mentioned in Note 1 above the Company has approached the bankers for a second corporate debt restructuring package. The response of the banks is awaited

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). Out of the total contract, 1.6 MW was required to be executed till 30 June 2013. The contract remained unexecuted as at 31 March 2013. However, the Company is in the process of executing 100 KW subsequent to 31 March 2013. Also, the Company has filed an application seeking extension with MP Urja for completion of work. 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 in the event of delay beyond 10 weeks, MP Urja has the authority to cancel the contract. The likely impact of the loss or damage due to inability or delay to complete the orders by the Company is not quantifiable as the final outcome thereof, is uncertain and the same shall crystallise only after the completion of discussion and necessary clearances from the necessary authorities.

5 Prior period adjustments:
a. The result for the year ended 31 March 2012 included prior period income relating to export benefits for the period 27 August 2009 to 31 March 2011 amounting to Rs. 999.78 lakhs.

b. The annual financial results for the year ended 31 March 2012 included prior period Commission expense (included in other expense) incurred for the period 1 May 2010 till 31 March 2011 amounting to Rs. 1,163.93 lakhs.

c. The quarter ended 31 March 2013 includes adjustment of interest cost amounting to Rs. 273.11 lakhs that was incorrectly capitalised in the preceding quarter. The same has been corrected in the current quarter.

6 The Company has incurred expenses in foreign currency (including amortisation of imported machinery) amounting to Rs. 101,211.69 lakhs till 31 March 2013. 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 net positive Net Foreign Exchange within ten years from the commencement of its operation. At current quarter end (i.e. after three years of commencement of its operations), the Company's earnings is a negative Net Foreign Exchange Earnings of Rs. 22,124.03. As explained in Note 1 above, the ability of the Company to meet its export obligations over the next 6 years is dependent on various external and internal factors which have created multiple uncertainties, the effect of which if any is not ascertainable.

7 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.

8 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.

9 IPO proceeds amounting to Rs.15,580.55 lakhs is paid for acquisition of machineries for Line C, Rs.14,386.21 lakhs have been utilised towards repayment of loans from banks/ use for the operations of the Company and Rs. 3,358.24 lakhs has been used for meeting IPO expenses. This is in accordance with the manner the IPO proceeds could have been utilised as specified in the prospectus. The balance of the IPO proceeds amounting to Rs. 2,375.00 lakhs pending utilisation, has been invested in interest bearing liquid instruments and bank deposits.

10 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 29 May 2013. The statutory auditors of the Company have carried out the statutory audit of the financial results for the quarter and year ended 31 March 2013 and have modified the report in relation to the following matters: Treatment of demurrage charges amounting to Rs. 1,365.94 lakhs; multiple uncertainties due to external and internal factors resulting in inability to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. 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 : 29 May 2013
Place : New Delhi

Managing Director