



August 11, 2017

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 the Board Meeting held on 11th August, 2017
Reference: Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We wish to inform that the Board of Directors of Indosolar Limited at its meeting held today (11th August, 2017), has inter alia:

1. Considered, approved and taken on record the Unaudited Financial Results of the Company for the Quarter ended 30th June, 2017.


Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the following:

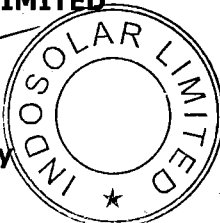
- i) Unaudited Financial Results of the Company for the Quarter ended 30th June, 2017.
- ii) Limited Review Report on Financial Results for the Quarter ended 30th June, 2017.

This is for your kind information and record, please.

Thanking you
Yours truly

FOR INDOSOLAR LIMITED


Manish Gupta
Company Secretary



Encl.: As above

INDOSOLAR LIMITED

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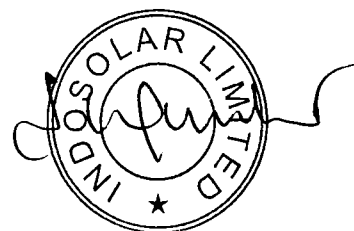
CIN-L18101DL2005PLC134879

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, 2017

Sl. No.	PARTICULARS	(Rs. In Lakhs)	
		Quarter Ended	
		30.06.2017 (Unaudited)	30.06.2016 (Unaudited)
I	Revenue from operations (Gross)	10,768.95	9,384.74
II	Other Income	97.91	7.10
III	Total Revenue (I + II)	10,866.86	9,391.84
IV	Expenses :		
	(a) Cost of Materials consumed	6,073.39	7,101.11
	(b) Purchases of Stock-in-trade	1,467.02	187.51
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	316.54	283.16
	(d) Excise duty on sale of goods	-	-
	(e) Employee benefits expense	372.78	317.09
	(f) Finance costs	2,846.59	3,621.99
	(g) Depreciation and amortisation expense	715.10	678.66
	(h) Other expenses	1,320.20	1,207.18
	Total Expenses	13,111.61	13,396.70
V	Profit / (Loss) before exceptional and tax (III - IV)	(2,244.75)	(4,004.86)
VI	Exceptional items	-	-
VII	Profit / (Loss) before tax (V - VI)	(2,244.75)	(4,004.86)
VIII	Tax expense		
	(a) Current Tax	-	-
	(b) Deferred Tax	-	-
	Total Tax Expense	-	-
IX	Net Profit/(Loss) after tax for the period (VII - VIII)	(2,244.75)	(4,004.86)
X	Other Comprehensive Income (loss) net of tax:		
	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	(2.96)	0.37
	Income tax relating to items not to be reclassified to profit or loss	-	-
	Total Comprehensive Income (IX + X)	(2,247.72)	(4,004.49)
XI	Paid-up equity share capital (Face value of Rs. 10/- each)	36,686	35,813
XII	Earnings per equity share (EPS) in Rupees (Face value of Rs. 10/- each) (not annualised):		
	- Basic	(0.62)	(1.12)
	- Diluted	(0.62)	(1.12)



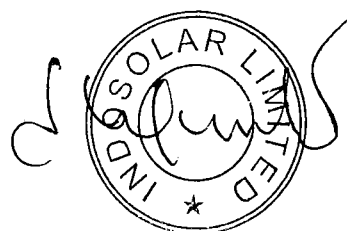
Notes to the unaudited financial results for the quarter ended 30th June, 2017

1. The Company adopted Indian Accounting Standards ("Ind AS") effective April 01, 2017 (transition date being April 01, 2016) and accordingly, the financial results for the quarter ended June 30, 2017 have been prepared in accordance with the recognition and measurement principals laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirement for corresponding figures of earlier periods. The Ind AS financial results and financial information for the quarter ended June 30, 2016 has been presented after incorporating the applicable Ind AS adjustments. This information has not been subject to any limited review or audit.
2. Reconciliation between financial results as previously reported (referred to as "Previous GAAP") and as per Ind AS for the quarter ended June 30, 2016 is as below:

(Rs. in lakhs)

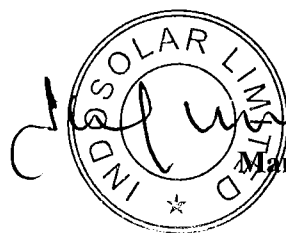
Particulars	Quarter ended June 30, 2016
Net profit/(loss) as reported under Previous GAAP	(3,987.13)
Effect on Finance Cost due to accounting of borrowings as per Effective Interest Rate (EIR) method and due to Finance Lease accounting	(21.97)
Effect on Depreciation due to capitalization of transaction costs on borrowings, machinery spares and due to Finance Lease accounting	(10.36)
Reclassification of actuarial gains and losses on defined benefit plans (net of tax) to Other Comprehensive Income	(0.37)
Other gain/(loss)	14.97
Net profit/(loss) for the period under Ind AS	(4,004.86)
<u>Other Comprehensive Income (net of tax expense)</u>	
Actuarial gain/ (loss) (net of deferred tax) on defined benefit plans	0.37
Total Comprehensive Income under Ind AS as reported	(4,004.49)

3. As on 30th June 2017, the current liabilities exceed the current assets by Rs. 136,059.66 lakhs. Due to non-fulfillment of its obligations under CDR package the company exited from CDR mechanism, in the meeting of CDR EG, held on 29th September 2016. As Company's accounts became Non Performing Assets ("NPA") all long term borrowings have been classified as current liabilities. 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.
4. The Company has not provided interest of Rs. 1218.60 lakhs on outstanding loans assigned by Andhra Bank and Indian Bank to Asset Reconstruction Company (India) Limited (ARCIL) for the quarter ended 30th June, 2017.



5. Double Bench of High Court of Delhi upheld the order of the single bench vide order dated 10th April, 2017 against Company's claim for eligibility of capital subsidy under SIP Scheme of Government. Department preferred Special Leave Petition "SLP" against the said order before Honorable Supreme Court on 07th July, 2017. In view of the uncertainty and reasonable assurance the said grant has not been recognized.
6. 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 company spent Rs. 166,616.56 lakhs in foreign currency for Raw Material consumption, Stores & Spares and Expenses in foreign currency including amortization of all imported Plant and Machinery and the Company could earn in foreign currency equivalent to Rs. 192,295.95 lakhs as per para 6.9(f) of FTP resulting into positive NFE Rs. 25,679.39 lakhs. In case the Company also amortizes value of Line-C till date (commercial production is yet to start) our NFE will become negative to the extent Rs. 750.05 lakhs. In view of the future projections, the management is hopeful of achieving positive NFE and expects no cash outflow on this account.
7. Despite significant downturn in global market and as a result of several initiatives by Government of India, the domestic market has been showing an upturn resulting in Company getting orders and hence continuing of commercial production. Based on the current operations, future cash flow projections and favorable decision of Double bench of the High Court of Delhi in relation to the possible Company's eligibility for certain capital incentive, management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 30th June, 2017 and that it is appropriate to prepare the accounts on a going concern basis.
8. The Company has only one single primary business segment viz. manufacture and sale of Photovoltaic Solar cells.
9. The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 11th August, 2017 and had undergone a Limited Review by the Statutory Auditors of the Company. 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**



**H.R. Gupta
Managing Director
DIN: 00297722**

Date: August 11, 2017
Place: Greater Noida



Arun K. Gupta & Associates
Chartered Accountants

D-58, East of Kailash,

New Delhi-110 065

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LIMITED REVIEW REPORT

**To,
The Board of Directors,
Indosolar Limited**

1. We have reviewed the accompanying statement of Standalone unaudited financial results of Indosolar Limited ("the Company") for the quarter ended June 30, 2017 ("the Statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, '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 31st March 2014. The Company's current liabilities exceed the current assets by Rs.1,36,059.66 lakhs as on 30th June 2017. The Company's short term borrowings and other current liabilities as at 30th June 2017 include balances payable to various lender banks amounting to Rs. 5,558.10 lakhs and Rs.1,29,637.96 lakhs respectively. These lender banks have exited from Corporate Debt Restructuring (CDR) Cell vide its letter dated 4th November, 2016. 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 June 2017 and interest expense (including penal interest, if any) for the quarter ended 30th June 2017 and up to 30th June 2017 and the consequential impact on the accompanying statement.*
 - b) *With regard to Company's claim of its being eligible for certain capital incentives, the Department of Information Technology has preferred Special Leave Petition "SLP" against the order of Double Bench of High Court of Delhi before the Honorable Supreme Court and the outcome will be known upon the conclusion of the litigation. Also refer Note 5 to the Financial Statements.*





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- c) *The Company has not been able to meet its commitment to Special Economic Zone on the basis of which the Company imported certain raw material, stores and spares and machineries without payment of custom duty even after considering the DTA sale of Rs. 3,864.89 lakhs for which Company had filed an appeal before the relevant authorities to consider the DTA sale for calculation of NFE under para 6.9 (f) of Foreign Trade Policy (FTP) in place of para 6.8 of the FTP. However, the Company has lodged its claim for inclusion of DTA Sales of Rs. 3,864.89 lakhs in APR for the year ended 31-03-2014. The management believes that the Company is eligible for the same. As on 30th June 2017 the Company's NFE is positive by Rs 25,679.39 lakhs. In case, Company also amortize value of Line C till date (commercial production yet to start) NFE as on 30th June, 2017 would be negative by Rs. 750.05 lakhs. Also refer note 6 to the Financial Statements.*

On the basis of overall evaluation of the above factors and considering the domestic content requirements under various Government schemes, proposed antidumping/safeguard duty on import of solar cell, favorable decision of the Double Bench of 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 assignment of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited, the management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 30th June 2017 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, uncertainty on the ability of the Company to meet its export obligations & to install line C acquired in the financial year 2011-12 (appearing in CWIP) due to non fulfilment of its financial obligations towards the supplier of the plant & technology 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. *During the previous year two secured lenders have assigned their outstanding dues to an Assets Reconstruction Company (India) Limited (ARCIL) aggregating to Rs 35,034.42 lakhs. Pending finalization of terms of assignment, the company has not provided for interest of Rs 1,218.60 lakhs for the quarter ended 30th June 2017. As a consequence to this, interest of Rs 1,218.60 lakhs for the quarter ended 30th June 2017 has been under provided. Had the Company provided the interest on such assigned loans, loss would have been Rs. 3,466.32 lakhs as against loss of Rs. 2,247.72 lakhs for the quarter ended 30th June 2017 and the losses, and the current liabilities and Reserves & Surplus (debit balances) for the quarter ended June 2017 would have been higher by Rs 1,218.60 lakhs.*
5. *Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI*





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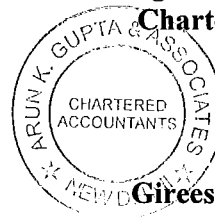
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(Listing Obligations and Disclosure Requirements) Regulations 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not audited or reviewed the accompanying financial results and other financial information for the three months ended June 30, 2016 which have been prepared solely based on the information compiled by management.

For ARUN K GUPTA & ASSOCIATES
Firm Registration No.000605N
Chartered Accountants



Gireesh Kumar Goenka
Partner
M. No. 096655

Place: Greater Noida
Dated: August 11, 2017