4th May 2015

To
The Assistant Vice President
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai – 400 050

To
The General Manager
The BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Sub.: Audited Financial Results and Audit Report for the quarter and year ended 31st March 2015

Dear Sir / Madam

In compliance with Clause 41 of the Listing Agreement, please find enclosed herewith the audited financial results for the quarter and year ended 31st March 2015 as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 4th May 2015.

Further, in compliance with Clause 41 of the Listing Agreement, please find enclosed herewith the Audit Report for the quarter and year ended 31st March 2015.

As regards point 4 of the auditors' report, we wish to submit that:

During the current quarter ending 31st March 2015, the Company reported a profit of Rs. 80.91 lacs as against significant losses incurred during the prior period due to closure of production in view of lower prevailing market prices than production cost. The Company could not meet its liabilities due on first Corporate Debt Restructuring (CDR) and approached bankers for the approval of 2nd CDR package which is under active consideration. The matter of capital subsidy is under dispute with the Govt. which is pending with Delhi High Court for final settlement. The company has contested the claim and also applied for extension of time for completing the MP Urja project. With the strength of orders in hand the company is hopeful to meet out its export commitment to customs authorities within a short span of one year.

This is for your kind information and record, please.

For **INDOSOLAR LIMITED**

Chief Financial Officer

Encl.: As above

INDOSOLAR LIMITED
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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 respetively 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

I 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

Managing Director

Date: 04 May 2015
Place: New Delhi

B S R & Co. LLP
Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2549 191
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Independent Auditor's Report
To the Board of Directors
Indosolar Limited

1. We have audited the accompanying statement of annual financial results ("Statement") of Indosolar Limited ('the Company') for the year ended 31 March 2015 attached herewith being submitted by the Company pursuant to the requirement of Clause 41 of Listing Agreement, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding", which have been traced from disclosures made by the management pursuant to Clause 35 of the Listing Agreement and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2015 and for the corresponding quarter ended in the previous year as reported in these financial results, are the balancing figures between the audited figures for the full financial year and the published year to date figures upto the end of third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subject to audit.

2. These financial results have been prepared by the Company on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. This standard requires that we plan and perform the audit to obtain reasonable assurance as to whether the financial results are free of material misstatement(s). An audit includes examining on a test basis, evidence supporting the amount and the disclosures in the financial results. An audit also includes assessing the accounting principles and significant estimates made by the management. We believe that our audit provide reasonable basis for our qualified opinion.

4. Basis for qualified opinion

   Attention is invited to the following developments as explained in detail to the notes to the financial results:

   (a) The Company has made a profit in the current quarter though on a full year basis it has continued to incur losses resulting in further erosion of its net worth which had already been fully eroded as at 31 March 2014. Further the Company has not met its liabilities (Rs. 26522.78 lakhs) due on the first corporate debt restructuring package and on account of purchase of materials and capital goods (Rs. 3,866.32 lakhs). The Company has therefore approached the bankers for a second corporate debt restructuring package on the basis of a technical economic viability study conducted by an external expert. (Note 2)

   (b) As per the Company, despite significant downturn in global market, as a result of several initiatives by Government of India, the domestic market has been showing an upturn of late resulting in the Company having obtained orders for 132.65 MW in the current year which has resulted in recommencement of production in the quarter ended 30 September 2014 which has resulted in significant capacity utilization upto 31 March 2015 year end to meet the requirements of the order. The note also expands on certain measures taken/expected to be announced by the Government to support domestic manufacturers in India including the domestic content requirement, viability gap funding etc. (Note 3)

(c) *The Company's claim to its being eligible for certain capital incentives is still under litigation. (Note 3)*

(d) *The dispute with MP Urja regarding the turnkey contract and the likely impact of the customers claim is uncertain. (Note 4)*

(e) *The Company has not been able to meet its commitment to customs authorities on the basis of which the company imported certain raw materials and machinery without payment of customs duty. (Note 7)*

On the basis of its overall evaluation of the above factors and as per the techno-economic viability study conducted by an external expert, the Company believes that there is no impairment in respect of carrying value of its fixed assets including capital work in progress as at 31 March 2015 and 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 certain material liabilities and commitments, the fact that the impact of the government decisions (some of which are yet to be announced) would be known only in future, the uncertainty of outcome of various litigations and claims and uncertainty regarding whether the second corporate debt restructuring package (which, as informed to us is under consideration by the bankers) would be sanctioned or not create material uncertainties (even though the procurement of certain orders during the year resulting in resumption of production is a positive factor). Therefore, the quantum of impairment in respect of carrying value of fixed assets cannot be determined as at present and material uncertainties exist regarding the use of going concern assumption in preparing the financial results.

5. Subject to our comments in paragraph 3 above *which highlight material uncertainties the impact of which is currently not ascertainable including the ability of the Company to continue as a going concern*, these quarterly financial results as well as year to date financial results:

   (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and

   (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31 March 2015 and net loss for the year ended 31 March 2015.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as the percentage of shareholdings in respect of aggregate amount of public shareholding, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

6. Emphasis of matter

   We draw attention to note 13 to the financial results regarding approval of the Central Government in respect of managerial remuneration paid by the Company amounting to Rs. 97 lakhs for the year ended 31 March 2015, which is in excess of the limits specified under schedule V read with section 197 of the Companies Act, 2013 which the Company has applied for and is pending as at the date of this report. Our opinion is not qualified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Advani

Vikram Advani
Partner
Membership number: 091765

Place: New Delhi
Date: 4 May 2015