

April 11, 2020

The Secretary
Corporate Relations Department
The National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex
Bandra East, Mumbai - 400059

Dear Sir,

K/A Mr. Priyesh Jain

SUB: CLARIFICATION WITH RESPECT EMAIL REMINDERS OF EXCHANGE AND RE-SUBMISSION OF FINANCIAL RESULTS

This is in reference to quick results submitted by the Company on 20th February, 2020 and subsequent reminders of NSE with respect to deficiency in results. We hereby submit our reply as under

S.NO	OBSERVATIONS OF NSE	REPLY
1.	Financial results submitted is not as per format prescribed by SEBI	Minor discrepancies were there in results submitted earlier which were duly rectified. Rectified results have been enclosed herewith again for reference and record purpose.
2.	Financial results not submitted within 30 minutes from end of board meeting	Due to some technical IT issues results weren't submitted within due time and minor delay occurred. Kindly condone the same.

Further, we are enclosing herewith rectified results again.

You are requested to take the same on record and condone the minor discrepancies as above and delay in submission of quick results.

Thanking You

Yours faithfully,
For **Indolsolar Limited**

Gulshan Gaba
Resolution Professional



Independent Auditor's Report on Financial Results of Indosolar Limited (company under CIRP) Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

**To,
The Resolution Professional,
Indosolar Limited,**

1. We have audited the accompanying financial results of Indosolar Limited, company under CIRP ("the company"), for the financial year ended March 31, 2019 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI CIR/CFD/CMD1/44/2019 dated March 29, 2019 including relevant circulars issued by SEBI from time to time. Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 and the corresponding quarter ended in previous year as reported in these financial results are the balancing figures in respect of full financial year and published year to date figures up to end of third quarter of the relevant financial year and have been regrouped where necessary. Also, the figures up to third quarter only had been reviewed and not subjected to an audit.
2. The Company had shut down its production facilities w.e.f 15th May, 2018. A corporate insolvency resolution process ("CIRP") has been initiated against the company vide an order of Delhi bench of the National Company Law Tribunal (NCLT) dated April 12, 2019 under the provisions of the Insolvency and Bankruptcy Code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended as per Section 17 of the Code and such powers are exercisable by Mr. Gulshan Gaba, who was appointed as interim resolution professional (IRP) and was consequently continued as Resolution Professional (RP) by the Committee of Creditors (COC).

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3. As the powers of the Board have been suspended the above results have not been adopted by Board of Directors. However, the same have been signed by Mr. H.R. Gupta, Managing Director and Mr. Anand Kumar Agarwal, Chief Financial Officer of the Company confirming accuracy and completeness of the results and taken on record by Mr. Gulshan Gaba, Resolution Professional.
4. This statement, which is responsibility of the Company's Management and has been signed by Managing Director, Chief Financial Officer and taken on record by the Resolution Professional, has been compiled from the related financial statements which has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statements based on our audit of such standalone Ind AS financial statements.
5. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of the Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the statement.



Basis for Disclaimer of Opinion

1. We were appointed as auditors of the Company after March 31, 2019 and thus could not observe the counting of physical inventories at the beginning and end of the year. Inventory records were not provided to us for checking. These were not physically verified by us.

Accordingly, we were unable to satisfy ourselves by alternative means concerning the inventory quantities held at March 31, 2018 and March 31, 2019 and valuation thereof.

2. Gross block and net block of fixed assets as per books are inconsistent with data provided in Fixed Asset register. As a result of this, we are unable to verify the written down value of fixed assets sold during the year and resultant Profit/Loss.

The Company has a net carrying value of Plant & Machinery of Rs. 8075.61 lakh, (ii) CWIP of Plant & Machinery Rs. 8,298.65 lakh and (iii) Buildings Rs. 4944.77 lakh as at December 31, 2018. The management had recognized an impairment loss of Rs. 42,819.12 lakh in September 30, 2018 based on value in use.

The impairment loss in Plant & Machinery and CWIP was based on fair value less cost of sales (realizable value) determined by a registered valuer as on 30.09.2018 and for impairment in case of building the registered valuer report as on 29.03.2018 was referred. Further, the company has not done impairment test and not booked resultant impairment loss as on 31.03.2019.

Thus, we are unable to comment on the adequacy of the impairment loss recognized during the year ended March 31, 2019 and the consequential impact, if any, on the accompanying statement.

3. We were unable to confirm or verify balances of accounts receivable and accounts payables included in the Balance Sheet of total amount of Rs.14.53 lakh and Rs.8570.75 lakh respectively as at March 31, 2019 and their resultant effect on Profit and loss account, if any.



4. Interest on borrowing in respect of facilities from Corporation bank, Union bank of India and Bank of Baroda has been booked only till September and Interest on loan taken over by ARCIL not booked. Being the company under CIRP, there is difference in total interest/ penal interest / expenses / others of approximately Rs. 92187 lakhs pertains to this year or earlier years between claims admitted by Resolution Professional and balances in books.
5. The Company (being an EOU) has not been able to meet its commitment under the Foreign Trade Policy on the basis of which the Company imported certain raw material, stores and spares and machineries without payment of custom duty. As on 31st March, 2019 the Company's NFE is positive by Rs. 19,140.38 lakh without considering the import value of amortization of Line-C. However, after amortization of value of line C NEF becomes negative by Rs. 29,624.58. The company is not able to achieve positive NFE during the stipulated time; the company would be liable to duties and penalties payable in accordance with Notification No. 52/2003 Cus. Dated 31.03.2003. Presently we are unable to assess upon the possible impact if any on the accompanying statement.
6. In the matter of Company's claim for eligibility of capital subsidy under SIP scheme of Govt. of India. The uncertainty exists with regard to its quantum and receipt of claim pending its appraisal by Department of Electronics & Information Technology (DEIT). In the absence of the reasonable assurance, the management has not recognized the claim.
7. Most of the vouchers and other supporting documents are not made available to us for verification.

Emphasis of Matter

We draw attention to the following matters:

- a) Note No. 1 regarding Corporate Insolvency Resolution Process(CIRP) initiated under Insolvency and Bankruptcy Code, 2016 ('the Code') and the outcome of the CIRP is subject to decision of APEX Court / NCLT.



- b) The Company has been continuously making losses, consequently its net worth is negative, and the Company's total liabilities exceeded its total assets. This indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, However, in view of the CIRP in respect of the Company, which is in progress, the accounts have been prepared on a going concern basis [Refer Note 5 to financial results];
- c) During the year 2017-18 the Company had received the approval of One Time Settlement (OTS) Scheme from Union Bank of India (Bank) which was accounted for during FY 2017-18. During the year 2018-19, OTS has been revoked vide letter having reference no. IFB:CR: IND:2018-19/2011 dated 12.12.2018. Consequently, Interest waived amounting to Rs. 17,389.48 lakhs up to 31.03.2017 is to be reversed and (ii) interest for the interest free period i.e. April 2017 to March 2018 (amount not ascertained) is become payable, (iii) The bank has also withdrawn other concessions i.e. lower rate of interest charged on outstanding amount for the period from April 2018 onwards, consequential interest need to be booked (amount not ascertained) (iv) Preference Shares become due and payable immediately.
- d) Closing Stock of finished goods and raw material has been taken as nil.
- e) As per the code the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. Such claims can be admitted to the RP during the CIRP, till the approval of a resolution plan by COC. The RP has verified and admitted the claims submitted by the creditors against the company as per the Code.

Pending finalization of resolution plan, the impact of such claims if any that may also have not been considered in the preparation of the financial statements.



Conclusion:

Due to the possible effects of the matters described in the Basis of Disclaimer of Opinion paragraph, we are unable to state whether the accompanying statements are in accordance with the Indian Accounting Standards and other accounting principles generally accepted in India and have disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 including relevant circulars issued by SEBI from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi
Date: 19-Feb-2020

For A.K.G. & ASSOCIATES
Chartered Accountants
FRN. 002688N

CA. Harvinder Singh
Partner
M. No. 087889
(UDIN:20087889AAAABL7358)

INDOSOLAR LIMITED

Regd. Office: C-12, Friends Colony (East), New Delhi- 110065

Corporate Identification Number (CIN)- L18101DL2005PLC134879

Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2019

S. No.	PARTICULARS	(Rs. in Lakhs)				
		Quarter Ended			Year Ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		(refer note no.11)		(refer note no.11)		
I	Revenue from operations	(0.31)	0.16	5,357.59	1,322.36	31,412.37
II	Other Income	10.32	6.90	18.42	290.49	431.15
III	Total Income (I + II)	10.01	7.06	5,376.01	1,612.85	31,843.52
	Expenses :					
	(a) Cost of Materials consumed	46.03	230.11	4,310.51	1,142.02	21,577.99
	(b) Purchases of Stock-in-trade	-	-	858.59	92.98	4,401.94
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	70.72	(76.35)	515.39	1,910.30
	(d) Employee benefits expense	41.76	23.91	321.47	455.99	1,457.67
	(e) Finance costs	283.38	799.22	1,495.18	5,093.04	5,351.94
	(f) Depreciation and amortisation expense	570.77	584.34	670.48	2,413.69	2,810.58
	(g) Other expenses	93.04	(191.84)	820.18	1,581.92	4,203.34
IV	Total Expenses (IV)	1,034.98	1,516.46	8,400.06	11,295.03	41,713.76
V	Profit / (Loss) before exceptional items and tax (III - IV)	(1,024.97)	(1,509.40)	(3,024.05)	(9,682.18)	(9,870.24)
VII	Exceptional items (refer note 10)	-	-	(15,700.00)	(42,819.12)	(6,410.96)
	Prior Period expenses					
VII	Profit / (Loss) before tax (V - VI)	(1,024.97)	(1,509.40)	(18,724.05)	(52,501.30)	(16,281.20)
	Tax expense					
	(a) Current Tax	-	-	2.32	-	2.32
	(b) Deferred Tax	-	-	-	-	-
VIII	Total Tax Expense	-	-	2.32	-	2.32
IX	Net Profit/(Loss) after tax (VII - VIII)	(1,024.97)	(1,509.40)	(18,726.37)	(52,501.30)	(16,283.52)
X	Other Comprehensive Income /(Loss)					
	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	-	-	20.44	5.77	11.55
	Income tax relating to items not to be reclassified to profit or loss	-	-	-	-	-
XI	Total Comprehensive Income (Comprising Profit/(Loss) and other comprehensive Income (IX + X))	(1,024.97)	(1,509.40)	(18,705.93)	(52,495.53)	(16,271.97)
XII	Paid-up equity share capital (Face value of Rs. 10/- each)	37,206.71	37,206.71	37,206.71	37,206.71	37,206.71
XIII	Other Equity					(82,859.67)
XV	Earnings per equity share (EPS) (Face value of Rs. 10/- each) (not annualised):-					
	- Basic (Rs.)	(0.28)	(0.41)	(5.03)	(14.11)	(4.44)
	- Diluted (Rs.)	(0.28)	(0.41)	(5.03)	(14.11)	(4.44)

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STATEMENT OF ASSETS AND LIABILITIES		(Rs. In Lakhs)	
Particulars		As at 31 March 2019	As at 31 March 2018
		(Audited)	(Audited)
A	Assets		
1	Non-current assets		
	(a) Property, Plant & Equipment	15,430.98	42,636.89
	(b) Capital work-in-progress	8,298.65	25,747.97
	(c) Other intangible assets	12.79	17.26
	(d) Financial assets		
	(i) Loans	157.69	403.90
	(ii) Other financial assets	-	87.27
	(e) Deferred tax assets (Net)	-	-
	(f) Other non-current assets	36.04	1,051.02
	Total non current assets	23,936.15	69,944.31
2	Current assets		
	(a) Inventories	537.34	2,665.61
	(b) Financial assets		
	(i) Trade receivables	14.53	291.30
	(ii) Cash and cash equivalents	67.02	292.46
	(iii) Bank balances (other than cash & cash equivalents)	405.11	352.40
	(iv) Loans	-	4.77
	(v) Other financial assets	55.84	-
	(c) Other current assets	869.44	821.02
	Total current assets	1,949.28	4,427.56
TOTAL ASSETS		25,885.43	74,371.87
B	Equity and Liabilities		
	Equity		
	(a) Equity share capital	37,206.71	37,206.71
	(b) Instruments entirely equity in nature	-	-
	(b) Other equity	(135,355.20)	(82,859.67)
	Total Equity	(98,148.49)	(45,652.96)
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	Borrowings	584.32	30,443.02
	(b) Provisions	48.79	48.79
	Total non current liabilities	633.11	30,491.81
	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	3,557.02	3,546.20
	(ii) Trade payables	8,570.75	6,237.06
	(iii) Other financial liabilities	110,561.10	79,524.20
	(b) Other current liabilities	693.70	206.68
	(c) Provisions	18.25	18.87
	Total current liabilities	123,400.81	89,533.02
TOTAL EQUITY AND LIABILITIES		25,885.43	74,371.87

1. Corporate Insolvency Resolution Process:

As per order of Hon'ble NCLT New Delhi dated 12 April 2019 under the provisions of Insolvency and Bankruptcy Code, the company is under Corporate Insolvency Resolution Process (CIRP). Its affairs, business and assets are being managed by the Resolution Professional. As per the code the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. Such claims can be admitted by the RP during the CIRP, till the approval of a resolution plan by the CoC. The RP has verified and admitted the claims submitted by the creditors against the company as per the Code. The summary of claims filled by financial creditor, operational creditors and employees and admitted by resolution professional as on 11 December 2019 are as follows:

a) Financial Creditors: Rs. 2,13,791.49

(including Bank of Baroda: Rs. 25918.78, Corporation Bank: Rs. 39576.49, ARCIL: Rs. 49974.13, Union Bank of India: Rs. 98322.09)

b) Operational Creditors: Rs. 4,360.36

c) Employees*: Rs. 256.81

* A litigation has been filed by 49 employees of the company for a claim of Rs. 399.49 with the Labour Court at Noida (UP). However, most of the said employees has also filed their claim with Resolution Professional (RP) which was admitted by RP on merits and details of which are available on website of company.

Pending finalization of resolution plan, the impact of such claims if any have not been considered in the preparation of the financial statement.

Since the creditors are shown at their carrying value and uncertainty relating to their payable amount, no further MSME interest has been provided during the year.

The Company had shut down its production facilities w.e.f 15th May, 2018. As a result majority of employees gradually left the organisation. Due to lack of human resources and insufficient information, provisions and contingencies can not be completely ascertained and provided in the books. Statutory payments made to authorities (ESI, PF, etc.) during the year 2018-19 are inconsistent with the salary amount booked for the year.

Further, the Company has continued to incur significant losses in the current quarter resulting in erosion of its net worth.

2. As the powers of the Board of Directors have been suspended, the above statement have not been adopted by the Board of Directors. However, the same have been signed by Mr. H.R. Gupta, Managing Director and Mr. Anand Kumar Agarwal, Chief Financial Officer of the Company confirming accuracy and completeness of the results on and taken record by Mr. Gulshan Gaba, Resolution Professional.



3. The operation of company relate to single segment i.e, manufacturer of Solar Photovoltaic Cells.

4. During the year 2017-18 the Company had received the approval of One Time Settlement ('OTS) Scheme from Union Bank of India (Bank) which was accounted for during FY 2017-18. During the year 2018-19, the Company has defaulted in payment of interest due from 31.07.2018 onwards and installment due from 30th September 2018 and onwards. Due to such default,OTS has been revoked vide letter having reference no. IFB:CR:IND:2018-19/2011 dated 12.12.2018. Consequently, Interest waived amounting to Rs. 17,389.48 lakh upto 31.03.2017 is to be reversed and (ii) interest for the interest free period i.e. April 2017 to March 2018 (amount not ascertained) is become payable, (iii) The bank has also withdrawn other concessions i.e. lower rate of interest charged on outstanding amount for the period from April 2018 onwards etc, (iv) the entire principal amount has become payable.

5. Going Concern:

The Company has continued to incur significant losses in the current year resulting in further erosion of its net worth. The Company's term loan payable to various lender banks become non-performing assets. Further, OTS scheme approved by Union Bank of India has been revoked. These conditions/factors raise significant doubt about the Company's ability to continue as a going concern.

The company is under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code. Invitation for expression of interest has been issued by Resolution Professional on 03.07.2019 as a result of which two Resolution Plans has been received by him which are under consideration.

Considering the above and in expectation of the successful outcome of the above proposals. The management believes and has concluded that it is appropriate to prepare the accounts on going concern basis.

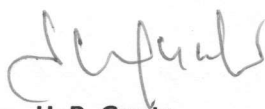
The financial statements do not include any adjustments relating to the recoverability and classification of carrying amounts of the assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

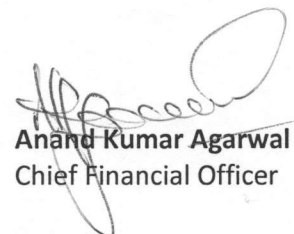
6. Trade receivables, Loans & Advances and other recoverable at March 31, 2019, are subject to confirmation/reconciliation and recoverability assessment thereof is under process by RP. RP has sent mails and letters for recovery to trade receivables. However, most of them had not responded or they have been rejected the claims on them.

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7. The management has performed an assessment of impairment of carrying value of Plant & Machinery, Building and CWIP of Plant & Machinery as on 30.09.2018. The assessment has been done based on fair value less cost of sales (realizable value) determined by a registered valuer as on 30.09.2018 for impairment in case of Plant & Machinery and CWIP, however for impairment in case of building the registered valuer report as on 29.03.2018 was referred. Further, the company has not done impairment test and not booked resultant impairment loss as on 31.03.2019.
8. In the matter of Company's claim for eligibility of capital subsidy under SIP scheme of Govt. of India. Department of Electronics & Information Technology (DEIT) has since initiated the process of appraisal of the subsidy claim of the company. In the absence of the reasonable assurance, pending appraisal, the claim has not been recognized.
9. The value of inventory of finished goods and raw material has been taken as nil as it is expired and its present market value is zero except immaterial scrap value which cannot be determined as on date.
10. The Company (being an EOU) has not been able to meet its commitment under the Foreign Trade Policy on the basis of which the Company imported certain raw material, stores and spares and machineries without payment of custom duty. As on 31st March, 2019 the Company's NFE is positive by Fts. 19,140.38 lakhs without considering the import value of amortization of Line-C. However, after amortisation of value of line C NEF becomes negative by Fts. 29,624.58. The company is not able to achieve positive NFE during the stipulated time, the company would be liable to duties and penalties payable in accordance with Notification No. 52/2003 Cus. Dated 31.03.2003.
11. Figures of the quarter ended March 31, 2019 and March 31, 2018 are 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 respective financial year.
12. Previous period figures have been regrouped/rearranged whenever considered necessary to make them comparable with current period.

Place: New Delhi
Dated: 19-Feb-2020


H. R. Gupta
Managing Director
DIN NO. 00297722


Anand Kumar Agarwal
Chief Financial Officer