INDOSOLAR

14th February, 2012

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

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

Sub.: Unaudited Financial Results and Limited Review Report for the quarter and nine months ended 31st December, 2011

Dear Sir / Madam

In compliance with Clause 41 of the Listing Agreement, please find enclosed herewith the unaudited financial results for the quarter and nine months ended 31st December, 2011 as reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 14th February, 2012.

Further, in compliance with Clause 41 of the Listing Agreement, please find enclosed herewith the limited review report from the Statutory Auditors on unaudited financial results for the quarter and nine months ended 31st December, 2011.

This is for your kind information and record, please.

For **INDOSOLAR LIMITED**

ATUL KUMAR MITTAL
COMPANY SECRETARY

Encl.: As above

INDOSOLAR LIMITED
Regd. Office: C-12 Friends Colony (East), New Delhi - 110065 INDIA
Tel: +91 11 2684 1375, 2631 1706 **Fax:** +91 11 2684 3949 **E-mail:** info@indosolar.co.in
Factory: 3C/1, EcoTech-II, Udyog Vihar, Greater Noida - 201 306, Dist. Gautam Budh Nagar (U.P.) INDIA
Tel: +91 120 4762500 **Fax:** +91 120 4762525 **E-mail:** info@indosolar.co.in
www.indosolar.co.in

INDOSOLAR LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2011

(Rupees in lakhs)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**(a) Net Sales/Income from Operations**	859.07	3,541.76	21,728.73	8,057.53	46,138.60	54,340.19
	(b) Other Operating Income	18.13	68.23	363.90	491.30	3,750.67	3,855.12
	Total	**877.20**	**3,609.99**	**22,092.63**	**8,548.83**	**49,889.27**	**58,195.31**
2	Expenditure						
	a. Decrease/(increase) in stock in trade and work in progress	1,500.69	638.07	(1,260.43)	4,733.67	254.95	(2,766.75)
	b. Consumption of raw materials	348.53	3,876.39	19,233.10	8,875.28	41,873.42	51,208.37
	c. Manufacturing expenses	146.98	482.49	788.80	1,025.85	2,993.90	3,227.04
	d. Purchase of traded goods	-	-	-	-	-	-
	e. Employees cost	227.00	285.10	297.71	807.60	889.60	1,218.94
	f. Depreciation	705.05	891.89	1,466.12	2,477.03	4,096.56	5,182.86
	g. Provision for impairment loss	-	1,902.34	-	1,902.34	-	-
	h. Other expenditure	1,156.62	1,776.67	582.32	3,256.18	1,648.84	3,175.99
	i. Total	**4,084.87**	**9,852.95**	**21,107.62**	**23,077.95**	**51,757.27**	**61,246.45**
3	**Profit/(Loss) from operations before other income, interest & exceptional items (1-2)**	(3,207.67)	(6,242.96)	985.01	(14,529.12)	(1,868.00)	(3,051.14)
4	Other income	89.48	95.37	537.76	348.89	588.85	907.67
5	**Profit/(Loss) before interest & exceptional items (3+4)**	(3,118.19)	(6,147.59)	1,522.77	(14,180.23)	(1,279.15)	(2,143.47)
6	Interest	2,000.06	1,904.49	1,733.52	5,637.73	5,028.07	6,766.77
7	**(Loss) after interest but before exceptional items (5-6)**	(5,118.25)	(8,052.08)	(210.75)	(19,817.96)	(6,307.22)	(8,910.24)
8	Exceptional items	-	-	-	-	-	3,167.65
9	**(Loss) from ordinary activities before tax (7+8)**	(5,118.25)	(8,052.08)	(210.75)	(19,817.96)	(6,307.22)	(5,742.59)
10	**Tax expense**	-	-	-	-	-	1.34
11	**Net (Loss) from ordinary activities after tax (9-10)**	(5,118.25)	(8,052.08)	(210.75)	(19,817.96)	(6,307.22)	(5,743.93)
12	Extraordinary/ prior period item (net of tax expenses)	924.46	-	257.03	955.42	19.86	-
13	**Net Profit/(Loss) for the period (11+12)**	(4,193.79)	(8,052.08)	46.28	(18,862.54)	(6,287.36)	(5,743.93)
14	Paid-up equity share capital (Face value Rs. 10 each)	33,514.40	33,514.40	33,514.40	33,514.40	33,514.40	33,514.40
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	21,487.59
16	Earnings/ (Loss) Per Share (EPS)						
	(a) Basic and diluted EPS before prior period items for the period, for the year to date and for the previous year(not to be annualized)	(1.53)	(2.40)	(0.06)	(5.91)	(2.47)	(3.24)
	(b) Basic and diluted EPS after prior period items for the period, for the year to date and for the previous year(not to be annualized)	(1.25)	(2.40)	0.01	(5.63)	(2.46)	(2.09)
17	Public shareholding						
	- Number of Shares	128,144,030	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%	38.24%
18	Promoters' and Promoter Group Shareholding						
	(a) Pledged/Encumbered						
	- Number of Shares	136,885,495	69,812,000	69,812,000	136,885,495	69,812,000	69,812,000
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	66.13%	33.73%	33.73%	66.13%	33.73%	33.73%
	- Percentage of Shares (as a % of the total share capital of the Company)	40.84%	20.83%	20.83%	40.84%	20.83%	20.83%
	(b) Non-encumbered						
	- Number of Shares	70,114,502	137,187,997	137,187,997	70,114,502	137,187,997	137,187,997
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	33.87%	66.27%	66.27%	33.87%	66.27%	66.27%
	- Percentage of Shares (as a % of the total share capital of the Company)	20.92%	40.93%	40.93%	20.92%	40.93%	40.93%

For and on behalf of the Board of directors of

Indosolar Limited

Managing Director

Place: Greater Noida

Date: 14 February 2012

Notes to the results for the quarter and nine months ended 31 December 2011

1 The Company has incurred significant losses in the quarter and the nine months ended 31 December 2011. The accumulated losses have resulted in substantial erosion of its net worth. The Solar industry and the Company have undergone turmoil owing to the significant downturn in the global market. As a consequence, the Company has been unable to utilise its capacity and the cost of production of solar cells continue to be higher than the prevailing market prices. Further, considering the difficulties the Company has faced during the past one year, it is in the advanced stage of getting its debt restructured that would enable to improve its liquidity until March 2013.
In the short term, management has been able to arrange funds on a short term basis, have improved collections and making efforts in monetising some of its receivables. Further, the Company has been able to obtain loan from one of its related party and has been able to obtain contribution from its promoters. The management believes that it is appropriate to prepare the financial statements on the going concern assumption, accordingly, these results do not include any adjustments that might result from the outcome of above mentioned uncertainties.

2 Prior Period includes Rs. 959.80 lakhs for the quarter and Rs. 926.26 lakhs for the nine months period ended 31 December 2011, representing income recognised on account of duty credit scrip equivalent to 2% of FOB value of exports (including sales made to SEZ units) for the period 27 August 2009 to 30 September 2011 and 27 August 2009 to 31 March 2011, respectively.

3 Management had carried an assessment for impairment of plant and machinery as at 30 September 2011, owing to continuing losses and significant pressures on margins prevailing in the industry. Accordingly, the fixed assets have been adjusted for impairment amounting to Rs. 1,902.34 lakhs and a corresponding charge for impairment was recognised in the quarter ended 30 September 2011. No adjustment to the fixed assets is required on the basis of impairment analysis carried by management as at 31 December 2011.

4 As per decision taken by the Board of Directors in its meeting held on 12 August 2011, the Company had made an application for Debt restructuring with CDR Forum which is under consideration. In connection with the application approval process the promoters have pledged their entire shareholding representing 40.84% of the total share capital of the Company.

5 During the quarter, the Company received a loan from a foreign company to satisfy one of the conditions in connection with its application approval process for Debt restructuring. Such loans are categorised as External Commercial Borrowings in respect of which certain regulatory formalities are to be complied with and clearances were to be obtained prior to the receipt of such loan. Management is in the process of obtaining such clearances and completing the necessary formalities and is confident of obtaining the same in the quarter ending 31 March 2012.

6 The Company had received a claim from a vendor amounting to Rs 435.67 lakhs, which was under discussions in the previous quarter. The claim has been accepted by the Company and accordingly, a provision for the corresponding amount has been recognised during the quarter and nine months ended 31 December 2011.

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. 14,425.72 lakhs is paid for acquisition of machineries for Line C, Rs.15,531.04 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, in accordance with the manner the IPO proceeds can be utilised as specified in the prospectus. The balance of the IPO proceeds amounting to Rs. 2,385.00 lakhs pending utilisation, has been invested in interest bearing liquid instruments and bank deposits.

10 There were no outstanding complaints from the shareholders at the beginning of the quarter and no complaints were received from the shareholders during the quarter ended 31 December 2011 .

11 The statutory auditors of the Company have carried out a Limited Review of the financial results for the quarter and nine months ended 31 December 2011 and an unmodified report has been issued which has been filed with the stock exchange.

12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14 February 2012.

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

Managing Director

Place: Greater Noida
Date: 14 February 2012

B S R and Associates

Chartered Accountants

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

Telephone: +91-124-2549191
Fax: +91-124-2549101

Review report

To
The Board of Directors
Indosolar Limited

1. We have reviewed the accompanying statement of unaudited financial results of Indosolar Limited ('the Company') for the quarter and nine months ended 31 December 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on 14 February 2012. Our responsibility is to issue a report on these financial results based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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. Based on our review conducted as referred to in para 1 and 2, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R and Associates**
Chartered Accountants
Registration No. 128901W

Vikram Advani
Partner
Membership Number: 091765

Place: Gurgaon
Date: 14 February 2012