

29th October, 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 BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

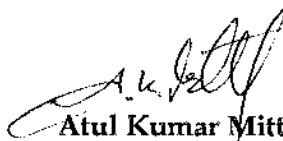
Sub.: Notice of Extra Ordinary General Meeting

Dear Sir / Madam

Notice is hereby given that an Extra Ordinary General Meeting of the Company will be held on Wednesday, the 21st November, 2012 at 9.00 a.m. at Krishna Farm, G.T. Road, Chitehra, Dadri, Gautam Budh Nagar - 203 207, Uttar Pradesh for consideration of matter indicated in the notice attached herewith.

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

Registered Office: C-12, Friends Colony (East), New Delhi – 110 065
Tel. No. : +91-11-26841375, Fax No.: +91-11-26843949

NOTICE OF EXTRA – ORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRA-ORDINARY GENERAL MEETING OF SHAREHOLDERS OF INDOSOLAR LIMITED WILL BE HELD ON WEDNESDAY, THE 21ST NOVEMBER, 2012 AT 9.00 A.M. AT KRISHNA FARM, G.T. ROAD, CHITEHRA, DADRI, GAUTAM BUDH NAGAR-203207, UTTAR PRADESH TO TRANSACT THE FOLLOWING SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Report of Board of Directors of the Company to the shareholders on erosion of peak net worth of the Company during immediately preceding four financial years by its accumulated losses as on 31st March, 2012 and the causes for such erosion, as required under section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985, (“the Act”), be and is hereby considered and approved.

RESOLVED FURTHER THAT in accordance with the requirements of Section 23 of the Act, the Company do report to the Board for Industrial and Financial Reconstruction (“the BIFR”) of the fact that the accumulated losses of the Company as on 31st March, 2012 have resulted in an erosion of more than fifty percent of its peak net worth during immediately preceding four financial years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to send the report to the BIFR and do all such acts, deeds, matters and things as it may deem necessary, desirable or expedient in relation thereto.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any officer or officers of the Company to give effect to this resolution.”

By Order of the Board of Directors
For INDOSOLAR LIMITED

Place : Greater Noida
Date : 29.09.2012

A.K. MITTAL
(Company Secretary)

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LATER THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- A form of proxy is enclosed.
- The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
- While members holding shares in physical form may write to the Company's Registrar and Share Transfer Agents for any change in their addresses or other updation, members holding shares in electronic form may write to their depository participants for required updation.
- Members / proxies are requested to bring duly filled in attendance slips to the meeting. The attendance slip is enclosed.
- The documents referred to in the Notice and Explanatory Statement are available for inspection during business hours on all working days (except Saturdays, Sundays and holidays) between 11.00 am to 1.00 pm at the Registered Office of the Company till the date of the Extra-Ordinary General Meeting or any adjournment thereof.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

As per Section 23 of the Sick Industries Companies (Special Provisions) Act, 1985 (“the Act”), if the accumulated losses of an industrial company as at the end of any financial year have resulted in erosion of fifty percent or more of its peak net worth during the immediately preceding four financial years, such company is required-

- 1) to report the fact of such erosion to the Board for Industrial and Financial Reconstruction; and
- 2) to hold an extra-ordinary general meeting of its shareholders for considering such erosion within sixty days from the date of adoption of its duly audited accounts at the Annual General Meeting.

The accumulated losses of the Company as at 31st March, 2012 were Rs. 340.05 Crores. This constitutes more than fifty percent of peak net worth during the four financial years preceding 31st March, 2012 mainly on account of the factors explained in the enclosed Report of the Board of Directors.

Accordingly, an extra-ordinary general meeting has been convened to consider and approve the enclosed report of the Board of Directors on such erosion and revival measures being taken as per Section 23 of the Act.

The Board recommends the proposed resolution for your approval as an ordinary resolution.

None of the directors of the Company is in any way concerned or interested in the said resolution except to the extent of their shareholding in the Company.

By Order of the Board of Directors
For INDOSOLAR LIMITED

Place : Greater Noida
Date : 29.09.2012

A.K. MITTAL
(Company Secretary)

INDOSOLAR LIMITED

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REPORT OF BOARD OF DIRECTORS TO THE SHAREHOLDERS OF THE COMPANY UNDER SECTION 23(1)(b) OF THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985

To The Members

Indosolar Limited

As required under Section 23(1)(b) of the Sick Industries Companies (Special Provisions) Act, 1985 ("the Act"), the following report, as to the erosion in the net worth of the Company and the causes thereof, is being forwarded to the Members of the Company.

As per audited financial accounts of the Company for the year ended 31st March, 2012, adopted by the Members at their 7th Annual General Meeting held on 29th September, 2012, the Company's accumulated losses stood at Rs. 340.05 Crores, which are more than 50% of its peak net worth during the preceding four years.

Causes of erosion of the relevant net worth

The Company is operating two SPV cell manufacturing lines of 80 MW each. First line commenced commercial production in July 2009 and second line commenced commercial production in March 2010. While the first line production ramp up after the trial run was quicker & smoother, operations of the second line took a much longer time to stabilize. This resulted in higher raw material consumption, excessive wastage, lower product efficiency and high operating cost resulting in losses in the initial year of operation.

Further from early 2011, the Company was severely impacted due to the sudden global down turn in the Solar Business. Extended winter in Europe led to slow down in Project execution. This was followed by uncertainties in Feed-in-Tariff, which again made project developers to take a wait & watch approach. Many countries reduced subsidy support to solar sector, in order to combat their fiscal deficit. This resulted in lower off-take of solar products globally leading to reduced demand.

Meanwhile manufacturing continued on a global scale as the supply chain was in full ramp up. Net result was a huge build up of stocks across the value chain. Driven by Cash Crunch, this triggered selling prices for cells and modules to crash over 60%. Since the raw material prices did not follow this downward trend, industry profitability was badly affected and capacity utilization suffered a major setback. This downturn was entirely unanticipated and had taken the industry by surprise.

Indosolar also got affected severely and its operations showed heavy losses. Second line was shutdown in January, 2011 and first line was operating at a very low capacity, since beginning of the year and remained totally closed from September, 2011 onwards. The liquidity had dried-up and the Company was not in a position to service its debt.

Countries like, China, Taiwan, Malaysia, USA started dumping of solar products at very low prices in Indian markets, which impacted the solar industries in India adversely and selling prices of solar cells declined further even to the extent of below the cost of raw material.

Measures initiated by the Company for turnaround

1. In order to address the above situation, the Company applied to the Corporate Debt Restructuring (CDR) Forum set up under Reserve Bank of India for debt restructuring during September 2011 with an intention that the debt re-alignment under CDR aegis would help the Company and the lenders to address the situation quickly and in a scientific manner. The Company has been sanctioned CDR package by CDR Forum vide its letter dated 7th March, 2012. The package is effective from 1st July, 2011 and includes, inter-alia, reduction in rate of interest on loans, rescheduling of the loan repayment period with an initial moratorium of 24 months from effective date, sanction of additional Capex of Rs. 100 Crores for completing the expansion of 200 MW solar cell project, interest on loans during the moratorium period will be funded by additional Funded Interest Term Loan (FITL).
2. The expansion of project by 200 MW would bring advantages of economies to scale and will result in improved sales and profitability and optimum utilization of available infrastructure.
3. Our Company is one of the few companies selected by the Government of India for grant of financial incentives under the "Special Incentive Package Scheme" notified by Government of India. As per the Scheme, the Company would be entitled to receive 25% capital subsidy of total project cost in cash once the total investment in the project exceeds Rs. 1,000 Crores threshold limit. By setting up the 200 MW line, the Company has crossed the threshold limit of Rs 1,000 Crores and become eligible for 25% capital subsidy. The release of capital subsidy would enable reduction of debts and also substantial improvement in liquidity position of the Company. The application made by the Company is under active consideration and the Company hopes to get the release of subsidy amount of over Rs. 250 Crores in tranches from financial year 2013-14.
4. The Company actively pursues players in domestic as well as international on-grid and off-grid markets for strategic relationships and long term sale and supply contracts. Company targets SPV module makers, vertically integrated players and turnkey players.
5. The Company is one of the members of Solar Manufacturers Association which has filed application to the Directorate General of Anti-Dumping for imposing anti-dumping duty on imports of solar photovoltaic cells and modules from China, Taiwan, Malaysia and USA. The application is under active consideration by the concerned ministry. The solar cell prices will strengthen after imposition of anti-dumping duty.

On behalf of the Board of Directors
For INDOSOLAR LIMITED

Place : Greater Noida
Date : 29.09.2012

H.R. GUPTA
(Managing Director)

A.K. AGARWAL
(Whole Time Director)



INDOSOLAR LIMITED

Registered Office: C-12, Friends Colony (East), New Delhi – 110 065

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FORM OF PROXY

I/We _____ of _____ in the district of _____ being member(s) of the above named Company, hereby appoint the following as my/our proxy to attend and vote on a poll for me/us on my/our behalf at the Extra-Ordinary General Meeting of the Company to be held on Wednesday, the 21st November, 2012 at 9.00 am and at any adjournment thereof:

1. Mr./Ms. _____ or failing him/her _____
2. Mr./Ms. _____ or failing him/her _____
3. Mr./Ms. _____ or failing him/her _____

Folio No.: _____ No. of Shares Held : _____

DP ID: _____ Client ID: _____

Signature(s) of Member(s) (1) _____ (2) _____ (3) _____

Signed this _____ day of _____ 2012

**Affix
Revenue
Stamp of
Re. 1**

Notes:

1. The proxy, to be effective, should be deposited at the Registered Office of the Company not later than FORTY EIGHT HOURS before the commencement of this Meeting.
2. A proxy need not be a member of the Company.
3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. This form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

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INDOSOLAR LIMITED

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ATTENDANCE SLIP

I hereby record my presence at the Extra-Ordinary General Meeting of the Company at Krishna Farm, G.T. Road, Chitehra, Dadri, Gautam Budh Nagar-203207, Uttar Pradesh on Wednesday, the 21st November, 2012 at 9.00 a.m.

Full Name of the Member (in block letters): _____

Signature : _____

Folio No. : _____

No. of Shares Held : _____

DP ID : _____

Client ID : _____

Full Name of the Proxy (in block letters) : _____

(to be filled if the proxy attends
instead of the member)

Signature : _____

Note: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

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BOOK POST

If undelivered, please return to:

INDOSOLAR LIMITED

Corporate Office cum Factory

3C/1, Ecotech-II, Udyog Vihar, Greater Noida-201306, Uttar Pradesh

Tel. No. : +91-120-4762500; Fax No.: +91-120-4762525