INDOSOLAR™

MAKE IN INDIA | स्वच्छ भारत एक कदम स्वच्छता की ओर

September 29, 2017

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai – 400 051

To
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Sub: Compliance with Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam

Pursuant to the Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclosed herewith copies of Annual Report 2016-17 being approved and adopted in the 12th Annual General Meeting held on Thursday, 28th September, 2017.

Request you to kindly take the same on your record.

Thanking You,
Yours Faithfully,

For **Indosolar Limited**

INDOSOLAR LIMITED

Manish Gupta
Company Secretary

Encl.: As above

INDOSOLAR LIMITED
Regd. Office: C-12 Friends Colony (East), New Delhi-110065 INDIA
www.indosolar.co.in

Factory: 3C/1, EcoTech - II, Udyog Vihar, Greater Noida - 201 306 (U.P.) - INDIA
Tele: +91 - 120 - 476 2500 | **Fax :** +91 - 120 - 476 2525 **E-mail:** info@indosolar.co.in
CIN-L18101DL2005PLC134879

INDOSOLAR™
LIMITED

12th Annual Report 2016-2017

www.indosolar.co.in



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Hulas Rahul Gupta	Managing Director-Promoter
Mr. Gautam Singh Kuthari	Non-Executive Independent Director
Mr. Vidyut Manubhai Vora	Non-Executive Independent Director
Ms. Vinati Dev	Non-Executive Independent Director

STATUTORY AUDITORS

M/s Arun K Gupta & Associates
Chartered Accountants
D-58, East of Kailash
New Delhi- 110 065

BANKERS

Union Bank of India
Corporation Bank
Bank of Baroda
Asset Reconstruction Company (India) Limited

REGISTERED OFFICE

C-12, Friends Colony (East), New Delhi-110065
Tel. No.: +91-11-26841375, Fax No.: +91-11-26843949
E. Mail : **investors@indosolar.co.in**; **secretarial@indosolar.co.in**
Website: **www.indosolar.co.in**

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
44, Community Centre, 2nd Floor, Naraina Industrial Area,
Phase-I, Near PVR Naraina, New Delhi-110028
Tel. No.: +91-11-41410592-94, Fax No.: +91-11-41410591
E Mail: delhi@linkintime.co.in
Website: www.linkintime.co.in

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

CORPORATE IDENTITY NUMBER

L18101DL2005PLC134879

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 12TH ANNUAL GENERAL MEETING OF SHAREHOLDERS OF INDOSOLAR LIMITED WILL BE HELD ON THURSDAY, THE 28TH DAY OF SEPTEMBER 2017 AT 9.00 A.M. AT MITHAS MOTEL & RESORT, 92/16, G.T. KARNAL ROAD, ALIPUR, DELHI – 110 036 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2017.

   "RESOLVED THAT the Audited Financial Statement of the Company including Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and the Cash Flow Statement of the Company for the financial year ended March 31, 2017 annexed with notes to the financial statement with reports of the Board of Directors ("the Board") and Auditors thereon be and are hereby received, considered, approved and adopted.

2. To appoint a Director in place of Mr. Hulas Rahul Gupta (DIN:00297722), who retires by rotation and being eligible, offers himself for re-appointment.

   "RESOLVED THAT Mr. Hulas Rahul Gupta (DIN:00297722), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation"

3. Appointment of Statutory Auditors:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, M/s Arun K Gupta & Associates, Chartered Accountants, New Delhi (Firm Registration Number-000605N), be and is hereby appointed as Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of this 12thAnnual General Meeting (AGM) till the conclusion of the 17thAnnual General Meeting (subject to ratification of the appointment by the members at every intervening Annual General Meeting) in respect of the financial year beginning April 01, 2017 and ending March 31, 2022 to examine and audit the accounts of the Company on at such remuneration as may be agreed upon by the Board of Directors of the Company and the Auditors, in addition to applicable tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of the accounts of the Company."

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby severally authorized to do all such act(s), deed(s) and thing(s) as it may, deem necessary, proper and/or expedient for implementing and giving effect to the aforesaid resolution."

SPECIAL BUSINESS:

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

   "**RESOLVED THAT** pursuant to Sections 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of INR 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and out of pocket expenses payable to M/s Kabra and Associates, Cost Accountants (Firm Registration Number: 000075), appointed by the Board of Directors as Cost Auditors of the Company for the financial year 2017-18."

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to do all such act(s), deed(s) and thing(s) as it may, deem necessary, proper and/or expedient for implementing and giving effect to the aforesaid resolution."

By Order of the Board of Directors
For INDOSOLAR LIMITED

Place: Greater Noida
Date: August 11, 2017

MANISH GUPTA
Company Secretary
Membership No.: A29854

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES IN ORDER TO BE VALID, DULY STAMPED, SIGNED AND COMPLETED IN ALL RESEPECTS AND MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, NOT LATER THAN 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.**
2. Member(s)/Proxies/Authorized Representatives are requested to bring the attendance slip enclosed at the end of Annual Report duly filled and signed for attending the meeting. Member(s) who hold equity shares in electronic mode are requested to write the Client ID and DP ID number and those who hold equity shares in physical mode are requested to write their folio number in the attendance slip.
3. Corporate Member(s) intending to send their authorized representative(s) to attend the meeting are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the meeting.
4. Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
5. In case of joint holders, only such joint holder whose name appear higher in the order of names will be entitled to vote.
6. Non-resident Indian shareholders are requested to inform about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:

   a) The change in the residential status on return to India for permanent settlement.

   b) The particulars of the Non-resident rupee (NRE) Account with a Bank in India, if not furnished earlier.
7. The route map showing directions to reach the venue of the 12th Annual General Meeting is enclosed at the end of Annual Report.
8. The relevant details of Directors proposed to be appointed/ reappointed, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards-2 on General Meetings are also annexed as **Annexure-A** under explanatory statement.
9. The relevant explanatory statement in accordance with section 102 of the Companies Act, 2013 setting out the material facts in respect of the Special Business is annexed hereto.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Agreements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
11. Members desirous of seeking any information relating to the Annual Accounts of the Company may write to the Company at 3C/1, Ecotech-II, Udyog Vihar, Gautam Budh Nagar, Greater Noida- 201306 (U.P.) for the attention of Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Annual General Meeting.
12. The Register of members and Share transfer books of the Company will remain closed from Friday, 22nd September 2017 to Thursday, 28th September 2017 (both days inclusive).
13. Member(s) holding shares in physical form are requested to notify the Company or Company's Registrar and Transfer Agent (RTA), Link Intime India Pvt. Ltd. of any change in their addresses/Bank Mandates. Member(s) holding shares in dematerialized form are requested to notify their respective Depository Participant of any change in their addresses/ Bank Mandates.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member(s) holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
15. All relevant documents referred to in the Notice of the Meeting shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days, upto the date of the meeting.
16. **Member(s) who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company electronically.**
17. The Notice of the Annual General Meeting and the Annual Report for FY 2016- 17 of the Company is being sent by electronic mode to those member(s) whose e-mail IDs are registered with the Company/Depository Participant(s) unless any member has requested for physical copy of the same. For member(s) who have not registered their e-mail IDs, physical copy of the Notice of the Meeting and the Annual Report for FY 2016-17 are being sent in the permitted mode.
18. Member(s) may also note that the Notice of the Meeting and the Annual Report for FY 2016-17 will also be available on the Company's website www.indosolar.co.in.
19. **Voting through electronic means**

    I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide facility to the members to exercise their right to vote on resolutions proposed to be considered at the Meeting by electronic means and the items of business given in the Notice of Meeting may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

    II. The facility for voting through ballot paper shall be made available at the meeting and the member(s) attending the meeting who have not cast their vote by remote e-voting shall be entitled to cast their vote at the meeting through ballot paper. No voting by show of hands will be allowed at the Meeting. Please note that the member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be entitled to cast their vote again at the meeting.

    III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case a member cast his or her vote both through the remote e-voting, and ballot paper at the AGM, then the vote cast by way of remote e-voting will only be considered.

    IV. The voting rights of member(s) shall be reckoned on the paid-up equity shares capital of the Company registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Thursday, September 21, 2017. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Thursday, September 21, 2017 only shall be entitled to avail the facility of remote e-voting / ballot paper. A member who is not a member as on the cut-off date should treat this notice for information purposes.

    V. The Board of Directors of the Company has appointed Mr. Shashikant Tiwari, Partner, M/s. Chandrasekaran Associates, Practicing Company Secretaries (Membership No. ACS 28994/ Certificate of Practice No. 13050) failing him Mr. Lakhan Gupta, Partner, M/s. Chandrasekaran Associates, Practicing Company Secretaries (Membership No. ACS 36583/ Certificate of Practice No. 13725) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

    VI. The remote e-voting period commences at 09.00 a.m. on Monday, 25th September, 2017 and ends at 5:00 p.m. on Wednesday, 27th September, 2017. During this period, member(s) of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    VII. The process and manner for remote e-voting are as under:

        (i) Log on to the e-voting website www.evotingindia.com during the voting period.

        (ii) Click on "Shareholders" tab

        (iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • **Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Ballot Paper/ Attendance Slip indicated in the PAN field.**
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction VII (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xx) Any person, who acquires shares of the Company and becomes the member of the Company after dispatch of the Notice of the meeting and holding shares as of the cut-off date i.e. Thursday, 21st September, 2017, may follow the same procedure as mentioned above for remote e-voting.

(xxi) The Scrutinizer shall, immediately after the conclusion of voting at the Annual general meeting, count the votes cast at the Annual General meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast 2 witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's report of the total votes cast in favor of or against, if any, to the Chairman of the Company. The Chairman or any other director authorized by the Chairman, shall declare the result of the voting on note later than 48 hours from the meeting.

(xxii) The results along with Scrutinizer's Report, will be placed on the Company's website www.indosolar.co.in and the website of CDSL immediately after the result is declared by the Chairman or any other person directed by the Chairman and the same shall be communicated to the Stock Exchanges where the shares of the Company are listed. The results will also be posted on the notice board of the Company at the registered office as well as the corporate office.

(xxiii) The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

By Order of the Board of Directors
For INDOSOLAR LIMITED

Place: Greater Noida
Date: August 11, 2017

MANISH GUPTA
Company Secretary
Membership No.: A29854

THE EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors of the Company at their meeting held on 27th May 2017 has, on recommendation by the Audit Committee, appointed M/s Kabra and Associates Cost Accountants (firm registration number: 000075) as the cost auditors for the financial year 2017-18 at a remuneration of INR 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and out of pocket expenses. As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the cost auditors is to be ratified by the members of the Company. The Board considers the remuneration payable to the cost auditors and recommends the resolution contained in item no. 4 of the accompanying notice for approval of the members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in this item of the Notice either financially or otherwise except to the extent of their shareholding.

Annexure-A

Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company (Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

Name of the Director/DIN	Mr. Hulas Rahul Gupta/ DIN:00297722
Date of birth	October 24, 1959
Date of Appointment	January 15, 2008
Qualification	Bachelor of Business Administration (BBA)
Experience in Specific functional areas	He has wide experience in various industries including Lamp manufacturing industry. He was also promoter of Phoenix Lamps Limited
No. of Equity Shares held in the Company as on March 31, 2017	80,385,494
Terms & Conditions of re-appointment	As per Company's Appointment and Remuneration Policy
Remuneration last drawn during the year FY 2016-17 (Rs. in lakhs)	45.36*
No. of meetings of Board attended during the year	7 out of 8 Board Meetings attended during the FY 2016-17
Directorship held in other Companies as on March 31, 2017	Nil
Relationship with any other director inter-se and KMPs of the Company	Nil
No. of Indian Public Companies in which he is holding the Chairmanship and Membership	Nil

***The amount paid as per the MCA order (please refer the note no. 34(b) of the notes to the financial statement)**

By Order of the Board of Directors
For INDOSOLAR LIMITED

Place: Greater Noida
Date: August 11, 2017

MANISH GUPTA
Company Secretary
Membership No.: A29854

DIRECTORS' REPORT

The Board has pleasure in presenting the (12th) Twelfth Annual Report on business and operations of the Company for the year ended 31st March 2017.

1. FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

PARTICULARS	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
Revenue from operations (A)	44,231.09	25,768.11
Other Income (B)	297.44	215.91
Operating expenditure (C)	37,104.84	24,933.18
Earnings before interest, tax, depreciation and amortisation (EBITDA) [D=A+B-C]	**7,423.69**	**1,050.84**
Finance Cost (E)	10,393.81	12,520.96
Depreciation and amortization expense (F)	2,834.17	2,657.08
Profit / (Loss) before tax [G=D-E-F]	**(5,804.29)**	**(14,127.20)**
Provision for Taxation (incl. deferred income tax) (H)	14.23	0
Profit / (Loss) after tax [I=G-H]	**(5,818.52)**	**(14,127.20)**

2. PERFORMANCE REVIEW

During the year under review, the Company achieved turnover of **Rs. 44,231.09 lakhs** during the financial year 2016-17 as compared to **Rs. 25,768.11 lakhs** in the previous year, an increase of 71.65%. The Earnings before interest, tax, depreciation and amortisation ("EBITDA") of **Rs. 7,423.69 lakhs** in the financial year 2016-17 as compared to **Rs. 1,050.84 lakhs** in the previous year, an increase of 606.45% due to full utilization of running capacity but at lower realisation.

Your Directors feel that the Company will be seeing a turnaround in the financial year 2017-18 keeping in view the certain measures taken or expected to be taken by the Government to support of the domestic manufacturers in India viz. Central Public Sector Undertakings "CPSU" Scheme to replace the Domestic Content Requirement "DCR" Policy, viability gap funding policy etc.

3. RESERVES AND SURPLUS

During the year under review, the Company has not transferred any amount to general reserves due to losses incurred.

4. DIVIDEND

Due to non-availability of profit, the Board does not recommend any dividend for the year ended 31st March 2017.

5. QUALITY

Your Company has implemented International Quality Management System based on the requirement of ISO 9001:2015. The Company has established, implemented and maintaining a Quality Management System. During this year, ISO 14001 surveillance was carried out by TUV Nord and the auditors recommended the continuation of the ISO 9001: 2015. Apart from the above, your Company is also OHSAS-18001:2007 and ISO-14001:2015 certified.

Your Company had also taken various initiatives during the year for ISO awareness like ISO Audits, ISO Awareness sessions, specially week observations (POI) point of improvement, NCRs (NON Conformities) safety week which enhances the three values viz., Integrity, Quality and Safety.

6. FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and no amount of principal or interest is outstanding as on the balance sheet closure date.

7. STATUS OF IMPLEMENTATION OF 250 MW PROJECT

In view of the market viability over Solar Industry, the Company is expected that the full utilization of capacity will use by end of the financial year 2017-18.

8. NUMBER OF MEETINGS OF THE BOARD

Eight (8) meetings of the board were held during the year. For details of the meetings of the board, please refer to the point no. 2 of the Corporate Governance Report, which forms part of this Report. The intervening gap between any two consecutive Board Meetings did not exceed 120 days.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015.

Mr. Hulas Rahul Gupta [DIN: 00297722], Managing Director liable to retire by rotation at the ensuing Annual General Meetingand being eligible has offered himself for the re-appointment. The Board of Directors recommended his reappointment for the consideration of the shareholders in ensuing Annual General Meeting. A brief profile and other details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Notice of 12th Annual General Meeting of the Company. However, there was no change in the board of the company during the financial year.

Key Managerial Personnel

During the year, there was no change in Key Managerial Personnel. Pursuant to the provision of Companies Act, 2013, the key managerial personnel of the Company are Mr. Hulas Rahul Gupta, Managing Director, Mr. Anand Kumar Agarwal, Chief Financial Officer and Mr. Manish Gupta, Company Secretary.

10. BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the concerned independent director being evaluated.

11. REMUNERATION POLICY

The Nomination and Remuneration Committee of the Company leads the process for Board Appointment in accordance with the requirements of the Companies Act, 2013, SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 and other applicable regulations or policy guidelines.

The policy for determining the remuneration for Directors, Key Managerial Personnel & other employees is available on website of the Company i.e. http://www.indosolar.co.in/images/pdf_file/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf.

12. EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return in Form MGT -9 as required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is given in **Annexure - I** to this Report.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

None of the transactions entered into by the company with related parties during the financial year 2016-17 falls under the scope of section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure II** in Form AOC-2 and the same forms part of this Report.

However, omnibus approval is obtained from the Audit Committee for the related party transactions which are foreseen and repetitive in nature.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has not given loans, guarantees/surety or investment as described under Section 186 of the Companies Act, 2013.

15. DETAIL OF SUBSIDARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

There is no subsidiary, joint venture or associate of the Company during the Financial Year 2016-17.

16. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the point no. 3 of the Corporate Governance Report, which forms part of this Report. The intervening gap between any two consecutive Audit Committee Meetings did not exceed 120 days.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Due to the continued losses incurred by the Company, the CSR provisions of Companies Act, 2013 are not applicable.

18. CHANGES IN CAPITAL STRUCTURE

There was no change in capital structuring during the period 2016-17.

19. RISK MANAGEMENT

The Board of Directors is overall responsible for identifying, evaluating and managing all the significant risks faced by the Company. The Board has approved the Risk Management Policy, which acts as the guideline by which the key risks are managed across the organization.

The Risk Management Policy is available on the Company's Website www.indosolar.co.in.

20. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The details in respect of internal financial control and their adequacy are included in the point no. 6 of the Management Discussion & Analysis Report, which forms part of this report.

21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a vigil mechanism for Directors, Employee and other person dealing with the Company for reporting illegal or unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors, employees or other persons who avail the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

The Vigil Mechanism (Whistle Blower Policy) is available on the Company's website www.indosolar.co.in.

22. AUDITORS

STATUTORY AUDITORS

During the year under review, M/s B S R & Co. LLP, Chartered Accountants (Firm Registration Number:101248W/W-100022) stepped down as the Statutory Auditors of the Company.

Subsequently, M/s. Arun K Gupta & Associates, Chartered Accountants, New Delhi (Firm Registration Number: 000605N) was appointed as Statutory Auditors of the Company, to hold office till the conclusion of the ensuing Annual General Meeting. Accordingly, the Board of Directors in their meeting held on 11th August, 2017, on the basis of the recommendations of the Audit Committee, approved the appointment of M/s. Arun K Gupta & Associates, Chartered Accountants, New Delhi (Firm Registration Number: 000605N)(subject to ratification of the appointment by the members at every intervening Annual General Meeting) for the period of 5 (Five) years from the conclusion of the 12th Annual General meeting of the Company till the conclusion of 17th Annual General Meeting of the Company to be held in the year 2022 in place of retiring Auditors.

Clarification/explanation on remarks in Independent Auditors' Report

On the Auditors' qualified opinion with regards to Going Concern Status of the Company, the reply from the management is as under:

a. With reference to point no. 4(a) of the Independent Auditor's Report, we clarify that 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.

b. With reference to point no. 4(b) of the Independent Auditor's Report, the management is in view that 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.

c. With reference to point no. 4(c) of the Independent Auditor's Report, we clarify that being an Export Oriented Unit, the Company needs to achieve positive NFE during a period of 10 years from the start of commercial production and in view of the future projections, the management is hopeful of achieving positive NFE and expects no cash outflow on this account.

d. With reference to point no. 4(d) of the Independent Auditor's Report, we clarify that as Andhra Bank and Indian Bank has transferred absolute assignment to Asset Reconstruction Company (India) Limited (ARCIL). In the absence of execution of restructuring agreement with ARCIL, regarding such assignment of facilities, adjustments, if any, in the carrying value of borrowings could not be ascertained.

e. During the year under review, the Statutory Auditors have not reported any matter under Section 143 (12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

COST AUDITOR

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors at their meeting held on 08th August, 2016 has appointed M/s Kabra & Associates Cost Accountants (Firm Registration Number: 000075) as the Cost Auditors to conduct audit of cost records relating to the products manufactured by your Company for the financial year 2016-17.

SECRETARIAL AUDITOR

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration) Rules, 2014, the Company had appointed M/s Chandrasekaran Associates a firm of Company Secretaries in Practice to undertake the secretarial audit of the company for the Financial Year 2016-17. The report of Secretarial Audit is annexed to this report as **Annexure III**.

The Secretarial Auditor's Reportdoes not contain any qualification, reservation or adverse remark or disclaimerand does not require further comment except the following:

With reference to the observation, on imposition of fine of Rs. 55,000 each by National Stock Exchange of India 'NSE' and BSE Limited 'BSE' in respect of non-compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the Secretarial Audit Report. The Company exited from Corporate Debt Restructuring 'CDR' Mechanism on 04th November, 2016 due to which Company needed more time to calculate the impact of the same over financial results. As such the unaudited financial results for the quarter ended 30th September, 2016 could not be submitted on time as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company advised the same to NSE & BSE on 14th November, 2016.

Due to CDR matter and uncertainties arising thereof, M/s. B S R & Co. LLP, Chartered Accountants, stepped down as Statutory Auditors of the Company on 19th November, 2016. The Company appointed M/s. Arun K Gupta & Associates, Chartered Accountants as Statutory Auditors on 21st November, 2016. The Company submitted the unaudited financial results for the quarter ended 30th September, 2016 on 26th November, 2016 and Stock Exchanges imposed fine of Rs. 5,000 per day for 11 days for the delay in submission of results.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be furnished under the provisions of section 134(3)(m)of the Companies Act, 2013 given as **Annexure IV**

to this Report.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, the Directors confirmed that:

a. in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period ended 31st March 2017;

c. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they had prepared the annual accounts on a going concern basis;

e. they had laid down Internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and

f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 given as **Annexure V** forming integral part of the Annual Report.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, in terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 given as **Annexure VI** forming integral part of the Annual Report.

27. CORPORATE GOVERNANCE REPORT

Your Company strives to ensure that best Corporate Governance Practices are identified, adopted and consistently followed.

The Report on the Corporate Governance forms an integral part of this report and is set out as **Annexure VII** to this Report. The Certificate from the practicing Company Secretary M/s Chandrasekaran Associates,Company Secretaries, certifying compliance with the conditions of the Corporate Governance as stipulated under Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is annexed with the Report on Corporate Governance.

28. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

No material changes have occurred and commitments made, affecting the financial position of the Company between the end of the financial year of the Company i.e. 31st March, 2017 and the date of this Report i.e. 11th August, 2017.

29. DETAILS OF SIGNIFICANT AND MATERIAL ORDER

No significant and material order have been passed by any regulator or court or tribunal impacting the going concern status or future operations of the Company.

30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandate under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

The Company has an Anti Sexual Harassment Policy in line with the requirement of "The Sexual Harassment of

Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

Further, the Company has constituted Internal Complaints Committee to redress Complaints received regarding sexual harassment during the period 2016-17. The following is a summary of sexual harassment complaints received and disposed off during the period:

Number of Complaints received	Nil
Number of Complaints disposed off	Nil

31. APPRECIATION

Your Directors wish to place on record their sincere appreciation of the efforts and dedicated services of all the employees which have contributed by staying with the Company in the tough period.

32. ACKNOWLEDGEMENTS

The Board of Directors places on record its appreciation for the support, assistance and co-operation received from Government, Regulators and the bankers to the Company, i.e. Union Bank of India, Bank of Baroda, Corporation Bank and Asset Reconstruction Company (India) Limited (ARCIL).

The Board is thankful to the shareholders for their support to the Company.

The Board is also thankful to the employees of the Company for their co-operation and unstinted dedication to duty leading to cordial industrial relations during the year under review.

On behalf of the Board of Directors
For INDOSOLAR LIMITED

H. R. GUPTA	**GAUTAM SINGH KUTHARI**
Managing Director	**Director**
DIN: 00297722	**DIN: 00945195**

Place : Greater Noida
Date : August 11, 2017

ANNEXURE – I

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	L18101DL2005PLC134879
2	Registration Date	08-Apr-05
3	Name of the Company	INDOSOLAR LIMITED
4	Category/Sub-category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Address of the Registered office & contact details	C-12, FRIENDS COLONY (EAST), NEW DELHI- 110065
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited 44 , Community Centre , 2nd Floor , Naraina Industrial Area, Phase -1 , Near PVR Naraina , New Delhi-110028. Phone No.: 011-41410592

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Solar Cells & Module	35105	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
----------NIL----------					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Demat	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	137,240,497	-	137,240,497	38.32%	137,240,497	-	137,240,497	38.32%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	**137,240,497**	**-**	**137,240,497**	**38.32%**	**137,240,497**	**-**	**137,240,497**	**38.32%**	**0.00%**
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%

Demat	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Bodies Corp.	69,241,052	-	69,241,052	19.33%	69,241,052	-	69,241,052	19.33%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	**69,241,052**	**-**	**69,241,052**	**19.33%**	**69,241,052**	**-**	**69,241,052**	**19.33%**	**0.00%**
TOTAL (A)	**206,481,549**	**-**	**206,481,549**	**57.66%**	**206,481,549**	**-**	**206,481,549**	**57.66%**	**0.00%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI	15,856,923	-	15,856,923	4.43%	16,177,531	-	16,177,531	4.52%	0.09%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	15,856,923	-	15,856,923	4.43%	16,177,531	-	16,177,531	4.52%	0.09%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	15,219,633	-	15,219,633	4.25%	12,206,512	-	12,206,512	3.41%	-0.84%
ii) Overseas			-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	52,457,890	1,604	52,459,494	14.65%	52,785,368	6,604	52,791,972	14.74%	0.09%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	57,442,853	-	57,442,853	16.04%	59,904,309	-	59,904,309	16.73%	0.69%
c) Others (specify)									
Non Resident Indians	2,129,466	-	2,129,466	0.59%	2,297,321	-	2,297,321	0.64%	0.05%
HUF	5,546,755	-	5,546,755	1.55%	5,360,279	-	5,360,279	1.50%	-0.05%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	2,972,498	-	2,972,498	0.83%	2,894,498	-	2,894,498	0.81%	-0.02%
Trusts	17,444	-	17,444	0.00%	12,644	-	12,644	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Unclaimed Share Suspense Account	3,385	-	3,385	0.00%	3,385	-	3,385	0.00%	0.00%
Sub-total (B)(2):-	**135,789,924**	**1,604**	**135,791,528**	**37.92%**	**135,464,316**	**6,604**	**135,470,920**	**37.83%**	**-0.09%**
Total Public (B)	**151,646,847**	**1,604**	**151,648,451**	**42.34%**	**151,641,847**	**6,604**	**151,648,451**	**42.34%**	**0.00%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	**358,128,396**	**1,604**	**358,130,000**	**100.00%**	**358,123,396**	**6,604**	**358,130,000**	**100.00%**	**0.00%**

(ii) Shareholding of Promoter/ Promoter Group

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Bhushan Kumar Gupta	56,500,001	15.78%	100%	56,500,001	15.78%	100%	0.00%
2	Hulas Rahul Gupta	80,385,494	22.45%	100%	80,385,494	22.45%	100%	0.00%
3	Priya Desh Gupta	355,001	0.10%	-	355,001	0.10%	-	0.00%
4	Abha Gupta	1	0.00%	-	1	0.00%	-	0.00%
5	Greenlite Lighting Corporation	69,241,052	19.33%	-	69,241,052	19.33%	-	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Bhushan Kumar Gupta						
	At the beginning of the year	1-Apr-16		56,500,001	15.78%	56,500,001	15.78%
	Changes during the year			-	0.00%	56,500,001	15.78%
	At the end of the year	31-Mar-17		56,500,001	15.78%	56,500,001	15.78%
2	Hulas Rahul Gupta						
	At the beginning of the year	1-Apr-16		80,385,494	22.45%	80,385,494	22.45%
	Changes during the year			-	0.00%	80,385,494	22.45%
	At the end of the year	31-Mar-17		80,385,494	22.45%	80,385,494	22.45%
3	Priya Desh Gupta						
	At the beginning of the year	1-Apr-16		355,001	0.10%	355,001	0.10%
	Changes during the year			-	0.00%	355,001	0.10%
	At the end of the year	31-Mar-17		355,001	0.10%	355,001	0.10%
4	Abha Gupta						
	At the beginning of the year	1-Apr-16		1	0.00%	1	0.00%
	Changes during the year			-	0.00%	1	0.00%
	At the end of the year	31-Mar-17		1	0.00%	1	0.00%
5	Greenlite Lighting Corporation						
	At the beginning of the year	1-Apr-16		69,241,052	19.33%	69,241,052	19.33%
	Changes during the year			-	0.00%	69,241,052	19.33%
	At the end of the year	31-Mar-17		69,241,052	19.33%	69,241,052	19.33%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	IDBI Bank Limited						
	At the beginning of the year	1-Apr-16		10,721,005	2.99%	10,721,005	2.99%
	Changes during the year			-	0.00%	10,721,005	2.99%
	At the end of the year	31-Mar-17		10,721,005	2.99%	10,721,005	2.99%
2	Thomas Varghese						
	At the beginning of the year	1-Apr-16		5,275,573	1.47%	5,275,573	1.47%
	Changes during the year	8-Apr-16	Transfer	(127,100)	-0.04%	5,148,473	1.44%
		15-Apr-16	Transfer	4,440	0.00%	5,152,913	1.44%
		22-Apr-16	Transfer	(3,254)	0.00%	5,149,659	1.44%
		29-Apr-16	Transfer	(22,380)	-0.01%	5,127,279	1.43%
		6-May-16	Transfer	(75,000)	-0.02%	5,052,279	1.41%
		13-May-16	Transfer	(500)	0.00%	5,051,779	1.41%
		10-Jun-16	Transfer	(42,683)	-0.01%	5,009,096	1.40%
		17-Jun-16	Transfer	(28,350)	-0.01%	4,980,746	1.39%
		24-Jun-16	Transfer	(5,000)	0.00%	4,975,746	1.39%
		1-Jul-16	Transfer	(75,746)	-0.02%	4,900,000	1.37%
		8-Jul-16	Transfer	(42,000)	-0.01%	4,858,000	1.36%
		15-Jul-2016	Transfer	2,000	0.00%	4,860,000	1.36%
		22-Jul-16	Transfer	(2,000)	0.00%	4,858,000	1.36%
		29-Jul-16	Transfer	10,550	0.00%	4,868,550	1.36%
		9-Sep-16	Transfer	78,486	0.02%	4,947,036	1.38%
		16-Sep-16	Transfer	(34,200)	-0.01%	4,912,836	1.37%
		30-Sep-16	Transfer	(67,000)	-0.02%	4,845,836	1.35%
		14-Oct-16	Transfer	(112,245)	-0.03%	4,733,591	1.32%
		21-Oct-16	Transfer	(102,836)	-0.03%	4,630,755	1.29%
		28-Oct-16	Transfer	(80,001)	-0.02%	4,550,754	1.27%
		4-Nov-16	Transfer	(22,934)	-0.01%	4,527,820	1.26%
		11-Nov-16	Transfer	(12,500)	0.00%	4,515,320	1.26%
		18-Nov-16	Transfer	(5,500)	0.00%	4,509,820	1.26%
		25-Nov-16	Transfer	(40,549)	-0.01%	4,469,271	1.25%
		2-Dec-16	Transfer	(20,000)	-0.01%	4,449,271	1.24%
		16-Dec-16	Transfer	(10,000)	0.00%	4,439,271	1.24%
		23-Dec-16	Transfer	(15,000)	0.00%	4,424,271	1.24%
		30-Dec-16	Transfer	(103,799)	-0.03%	4,320,472	1.21%
		20-Jan-17	Transfer	5,000	0.00%	4,325,472	1.21%
		10-Feb-17	Transfer	(56,428)	-0.02%	4,269,044	1.19%
		17-Feb-17	Transfer	(47,050)	-0.01%	4,221,994	1.18%
		24-Feb-17	Transfer	(23,346)	-0.01%	4,198,648	1.17%
		3-Mar-17	Transfer	(24,698)	-0.01%	4,173,950	1.17%
		10-Mar-17	Transfer	(40,552)	-0.01%	4,133,398	1.15%
		17-Mar-17	Transfer	(10,000)	0.00%	4,123,398	1.15%
		31-Mar-17	Transfer	26,602	0.01%	4,150,000	1.16%
	At the end of the year	31-Mar-17		4,150,000	1.16%	4,150,000	1.16%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
3	Union Bank of India						
	At the beginning of the year	1-Apr-16		2,965,000	0.83%	2,965,000	0.83%
	Changes during the year			-	0.00%	2,965,000	0.83%
	At the end of the year	31-Mar-17		2,965,000	0.83%	2,965,000	0.83%
4	Bank of Baroda						
	At the beginning of the year	1-Apr-16		1,904,201	0.53%	1,904,201	0.53%
	Changes during the year			-	0.00%	1,904,201	0.53%
	At the end of the year	31-Mar-17		1,904,201	0.53%	1,904,201	0.53%
5	Sanjay Gupta						
	At the beginning of the year	1-Apr-16		1,610,000	0.45%	1,610,000	0.45%
	Changes during the year	13-Jan-17	Transfer	25,000	0.01%	1,635,000	0.46%
		24-Feb-17	Transfer	(1,500)	0.00%	1,633,500	0.46%
	At the end of the year	31-Mar-17		1,633,500	0.46%	1,633,500	0.46%
6	Vishanji Shamji Dedhia						
	At the beginning of the year	1-Apr-16		2,400,000	0.67%	2,400,000	0.67%
	Changes during the year	9-Sep-16	Transfer	(300,000)	-0.08%	2,100,000	0.59%
		21-Oct-16	Transfer	(100,000)	-0.03%	2,000,000	0.56%
		18-Nov-16	Transfer	(300,000)	-0.08%	1,700,000	0.47%
		25-Nov-16	Transfer	(100,000)	-0.03%	1,600,000	0.45%
	At the end of the year	31-Mar-17		1,600,000	0.45%	1,600,000	0.45%
7	Tarun Jain						
	At the beginning of the year	1-Apr-16		1,547,570	0.43%	1,547,570	0.43%
	Changes during the year			-	0.00%	1,547,570	0.43%
	At the end of the year	31-Mar-17		1,547,570	0.43%	1,547,570	0.43%
8	Brand Equity Treaties Limited						
	At the beginning of the year	1-Apr-16		1,400,000	0.39%	1,400,000	0.39%
	Changes during the year			-	0.00%	1,400,000	0.39%
	At the end of the year	31-Mar-17		1,400,000	0.39%	1,400,000	0.39%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
9	K Subramaniam						
	At the beginning of the year	1-Apr-16		973,000	0.27%	973,000	0.27%
	Changes during the year	8-Apr-16	Transfer	(5,000)	0.00%	968,000	0.27%
		22-Apr-16	Transfer	(3,000)	0.00%	965,000	0.27%
		13-May-16	Transfer	(4,000)	0.00%	961,000	0.27%
		20-May-16	Transfer	(4,000)	0.00%	957,000	0.27%
		10-Jun-16	Transfer	(4,000)	0.00%	953,000	0.27%
		24-Jun-16	Transfer	(1,000)	0.00%	952,000	0.27%
		15-Jul-16	Transfer	(6,000)	0.00%	946,000	0.26%
		22-Jul-16	Transfer	(96,000)	-0.03%	850,000	0.24%
		12-Aug-16	Transfer	95,000	0.03%	945,000	0.26%
		19-Aug-16	Transfer	(3,000)	0.00%	942,000	0.26%
		21-Oct-16	Transfer	(3,000)	0.00%	939,000	0.26%
		28-Oct-16	Transfer	(4,000)	0.00%	935,000	0.26%
		11-Nov-16	Transfer	(4,000)	0.00%	931,000	0.26%
		9-Dec-16	Transfer	(4,000)	0.00%	927,000	0.26%
		23-Dec-16	Transfer	6,333	0.00%	933,333	0.26%
		3-Feb-17	Transfer	(333)	0.00%	933,000	0.26%
	At the end of the year	31-Mar-17		933,000	0.26%	933,000	0.26%
10	Sudhir Banarsilal Tulsyan						
	At the beginning of the year	1-Apr-16		500,000	0.14%	500,000	0.14%
	Changes during the year	29-Jul-16	Transfer	125,000	0.03%	625,000	0.17%
		5-Aug-16	Transfer	75,000	0.02%	700,000	0.20%
	At the end of the year	31-Mar-17		700,000	0.20%	700,000	0.20%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Hulas Rahul Gupta						
	At the beginning of the year	1-Apr-16		80,385,494	22.45%	80,385,494	22.45%
	Changes during the year			-	0.00%	80,385,494	22.45%
	At the end of the year	31-Mar-17		80,385,494	22.45%	80,385,494	22.45%
2	Gautam Singh Kuthari						
	At the beginning of the year	1-Apr-16		100,000	0.03%	100,000	0.03%
	Changes during the year			-	0.00%	100,000	0.03%
	At the end of the year	31-Mar-17		100,000	0.03%	100,000	0.03%
3	Vidyut Manubhai Vora						
	At the beginning of the year	1-Apr-16		47,711	0.01%	47,711	0.01%
	Changes during the year			-	0.00%	47,711	0.01%
	At the end of the year	31-Mar-17		47,711	0.01%	47,711	0.01%
4	Vinati Dev						
	At the beginning of the year	1-Apr-16		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-Mar-17		-	0.00%	-	0.00%
5	Anand Kumar Agarwal						
	At the beginning of the year	1-Apr-16		400,001	0.11%	400,001	0.11%
	Changes during the year	27-Apr-16	Transfer	100,000	0.03%	500,001	0.14%
		16-May-16	Transfer	175,400	0.05%	675,401	0.19%
		30-Jun-16	Transfer	(150,000)	-0.04%	525,401	0.15%
		6-Jan-17	Transfer	175,000	0.05%	700,401	0.20%
	At the end of the year	31-Mar-17		700,401	0.20%	700,401	0.20%
6	Manish Gupta						
	At the beginning of the year	1-Apr-16		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31-Mar-17		-	0.00%	-	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	94,429.32	1,105.05	-	95,534.37
ii) Interest due but not paid	30,199.89	-	-	30,199.89
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	124,629.21	1,105.05	-	125,734.26
Change in Indebtedness during the financial year				
* Addition	10,222.21	83.36	-	10,305.57
** Reduction	2,000.44	-	-	2,000.44
Net Change	8,221.77	83.36	-	8,305.13
Indebtedness at the end of the financial year				
i) Principal Amount	92,428.88	1,188.41	-	93,617.29
ii) Interest due but not paid	40,422.11	-	-	40,422.11
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	132,850.99	1,188.41	-	134,039.40

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
	Name		Hulas Rahul Gupta*	
	Designation		Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	45.17	45.17
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify			-
	Total (A)	**-**	**45.17**	**45.17**
	Ceiling as per the Act	2.4 Crores per annum as per Schedule V of the Companies Act, 2013		

*The amount paid as per MCA order. (Please refer Note No. 34(b) of Notes to the financial statements)

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	Gautam Singh Kuthari	Vidyut Manubhai Vora	Vinati Dev	
	Fee for attending board committee meetings	1.25	0.25	1.25	2.75
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1.25	0.25	1.25	2.75
2	Other Non-Executive Directors	----------NIL----------			-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1.25	0.25	1.25	2.75
	Total Managerial Remuneration				47.92
	Overall ceiling as per the Act	2.4 Crores per annum as per Schedule V of the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name		**Anand Kumar Agarwal**	**Manish Gupta***	**(Rs/Lac)**
	Designation	**CEO**	**CFO**	**CS**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	73.80	7.38	81.18
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**73.80**	**7.38**	**81.18**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding		----------NIL----------			
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

On behalf of the Board of Directors
For INDOSOLAR LIMITED

H. R. GUPTA	**GAUTAM SINGH KUTHARI**
Managing Director	**Director**
DIN: 00297722	**DIN: 00945195**

Place : Greater Noida

Date : August 11, 2017

Annexure II

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Indosolar Limited ('the Company') has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2016-17.
   a. Name(s) of the related party and nature of relationship: **Not Applicable**
   b. Nature of contracts/arrangements/transactions: **Not Applicable**
   c. Duration of the contracts / arrangements/transactions: **Not Applicable**
   d. Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
   e. Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
   f. Date(s) of approval by the Board: **Not Applicable**
   g. Amount paid as advances, if any: **Not Applicable**
   h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**
2. **Details of material contracts or arrangement or transactions at arm's length basis:**
   (a) Name(s) of the related party and nature of relationship: **Not Applicable**
   (b) Nature of contracts / arrangements / transactions: **Not Applicable**
   (c) Duration of the contracts / arrangements / transactions: **Not Applicable**
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
   (e) Date(s) of approval by the Board, if any: **Not Applicable**
   (f) Amount paid as advances, if any: **None**

Details of related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives etc. are present under Note No. 34 Notes to the Financial Statements for the financial year ended 31st March, 2017.

On behalf of the Board of Directors
For INDOSOLAR LIMITED

H. R. GUPTA	**GAUTAM SINGH KUTHARI**
Managing Director	**Director**
DIN: 00297722	**DIN: 00945195**

Place : Greater Noida
Date : August 11, 2017

Annexure III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

The Members,

INDOSOLAR LIMITED
C-12 Friends Colony (East)
New Delhi-110065

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indosolar Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) As confirmed and certified by the management, there is no law specifically applicable to the Company based on the Sectors / Businesses.

We have also examined compliance with the applicable clauses/Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. The National Stock Exchange of India Limited and BSE Limited had imposed a fine of Rs. 55,000/- each respectively in respect of non compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for late submission of Unaudited Financial results for the quarter ended 30th September 2016.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent Seven days in advance (and at a shorter Notice for which necessary approvals obtained) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events / actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Chandrasekaran Associates**
Company Secretaries

Shashikant Tiwari
Partner
Membership No. A28994
Certificate of Practice No. 13050

Date: August 11, 2017
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

ANNEXURE-A

The Members,
INDOSOLAR LIMITED
C-12 Friends Colony (East)
New Delhi-110065

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Shashikant Tiwari
Partner
Membership No. A28994
Certificate of Practice No. 13050

Date: August 11, 2017
Place: New Delhi

ANNEXURE IV

INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO FORMING PART OF DIRECTORS' REPORT IN TERMS OF SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

1.	**STEPS TAKEN FOR CONSERVATION OF ENERGY**	Conservation measures like installation of 500 KW Captive Solar Plant, Installation of LED Lightings to reduce power cost to considerable extent.
2.	**CONSUMPTION OF UNITS OF ENERGY**	A. Electric Energy: 242.59(Pr. Year 130.06) lakhs units supplied by Power Corporation. 16.37 (Pr. Year 28.42) lakhs units generated by DG Sets. B. Diesel : 4.86 (Pr. Year 13.36) lakhs liters for running DG Sets.
3.	**STEPS TAKEN BY COMPANY FOR UTILIZING ALTERNATE ENERGY**	5.84 lakhs Units were generated by the 500 KW Captive Solar Plant in the year 2016-17.
4.	**THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS**	NIL

B. TECHNOLOGY ABSORPTION

Form for disclosure of particulars with respect to absorption

Research and Development (R & D)

1.	Specific areas in which R & D carried out by the Company	▪ Five bus bar solar cells development completed. ▪ Process modified to improve reliability specifically with respect to potential induced degradation (PID) by introducing oxidation employing ozoniser. ▪ Front contact finger width reduced and process optimized to increase efficiency. ▪ Process optimized for improving EL image in modules at customer end.
2.	Benefits derived as a result of the above R & D	▪ Increase in cell efficiency by 0.2% absolute (from 18.00% to 18.20%). ▪ Reduction in cost of production by 0.015 $ per watt. Reliability and quality of product improved resulting in higher Saleability.
3	Future plan of action	▪ Productionisation of 5BB Cells. ▪ Phosphorous oxy-chloride ($POCL_3$) based diffusion process to be implemented in line A. ▪ Development of DW Process technology to reduce cost of cell.
4	Expenditure on R & D (a) Capital (b) Recurring (c) Total (d) Total R & D expenditure as a percentage of total turnover	▪ Included in the manufacturing cost.

Technology Absorption, Adaptation and Innovation

1	Efforts, in brief, made towards technology absorption, adaptation and innovation	• Throughput of the lines increased. • Reliability of product improved. • Full utilization of technology manufacture solar photovoltaic multi-crystalline silicon cells
2	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	▪ Cost reduction. ▪ Saleability of product improved.

	In case of import of technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
	(A)	
	(a) Technology imported	(a) Technology to manufacture solar photovoltaic multi-crystalline silicon cells
	(b) Year of import	(b) 2009
	(c) Has technology been fully absorbed	(c) Yes
	(d) If not absorbed, areas where this has not taken place, reasons therefore and future plan of action	(d) Not Applicable
	(B)	
	(a) Technology imported	(a) Selective Emitter Technology/Pocal
	(b) Year of import	(b) 2012
	(c) Has technology been fully absorbed	(c) No
	(d) If not absorbed, areas where this has not taken place, reasons therefore and future plan of action	(d) Under installation and commissioning

ACTIVITIES RELATING TO EXPORTS, INITIATIVES TAKEN TO INCREASE EXPORTS, DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICES AND EXPORT PLANS.	Your Company is a 100% Export Oriented Company.

FOREIGN EXCHANGE EARNING AND OUTGO

The total foreign exchange used and the total foreign exchange earned during the year as compared to the previous financial year has been provided hereunder:

(Rs. in lakhs)

Particulars	For Year 2016-17	For Year 2015-16
Foreign Exchange Earning#	13,011.75	15,665.60
Foreign Exchange Outgo	19,120.61	17,523.26

#Includes deemed exports to EOU/SEZ units amounting to **Rs. 11,352.40 lakhs** (previous year Rs. 13,267.23 lakhs)

On behalf of the Board of Directors
For INDOSOLAR LIMITED

H. R. GUPTA
Managing Director
DIN: 00297722

GAUTAM SINGH KUTHARI
Director
DIN: 00945195

Place : Greater Noida
Date : August 11, 2017

ANNEXURE V

THE INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2016-17;

Name of Director	Designation	Ratio to Median Remuneration
Mr. Hulas Rahul Gupta	Managing Director	6:1

No remuneration was paid to Independent Directors except Sitting Fees.

b) The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2016-17;

Name of Person	Designation	% Increase in remuneration
Mr. Hulas Rahul Gupta	Managing Director	0
Mr. Anand Kumar Agarwal	Chief Financial Officer	10%
Mr. Manish Gupta	Company Secretary	10%

The remuneration paid to the Independent Directors by way of sitting fees of Rs. 25,000 per Board Meeting starting from the date 14th November, 2016.

(c) The percentage increase in the median remuneration of employees in the financial year 2016-17: 8.49%

(d) The number of permanent employees on the rolls of company as on 31st March 2017: 274

(e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was no increase in the managerial remuneration and average increase in the remuneration other than managerial personnel in 2016-17 was 16.28%.

(f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

THE INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

(a) Top 10 Employee in terms of remuneration (per annum) who were Employed throughout the financial year:

S No	Name	Designation	Remuneration (INR)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age (Years)	Last employment before joining the Company	% of Equity Capital held	Name of relative of directors/ manager
1	Mr. H.R. Gupta	Managing Director	2,040,480	Full Time Employee	Bachelor of Business Administration	32	15-Jan-08	58	Phoenix Lamps Limited	22.45%	----
2	Mr. Anand Kumar Agarwal	Chief Finance Officer	7,440,000	Full Time Employee	Bachelor of Commerce	42	1-Jul-08	68	Phoenix Lamps Limited	0.20%	----
3	Dr. Dina Nath Singh	Chief Technical Officer	7,148,712	Full Time Employee	Ph.D Micro-Electronics	40	8-Dec-08	67	Semi Conductor Complex Limited	0.00%	----
4	Mr. Vivek Gupta	Financial Controller	5,456,850	Full Time Employee	CA, ICWA	24	14-Nov-14	48	Roulunds Braking India Pvt Ltd	0.02%	----
5	Mr. Dinesh B Shenoy	Chief General Manager (Purchase)	4,519,134	Full Time Employee	Diploma in Computer Science	28	20-Dec-07	50	Phoenix Lamps Limited	0.00%	----
6	Mr. Uma Shanker Sharma	General Manager (Finance)	3,217,234	Full Time Employee	MBA in Finance	40	12-Aug-08	58	Phoenix Lamps Limited	0.00%	----
7	Mr. Pranav Gupta	Vice President-Marketing & Sales	2,999,997	Full Time Employee	Bachelor of International Business	5	15-Feb-12	28	None	Nil	Mr. H. R. Gupta

S No	Name	Designation	Remuneration (INR)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age (Years)	Last employment before joining the Company	% of Equity Capital held	Name of relative of directors/ manager
8	Ms. Roshini Gupta	Vice President-Corporate	2,999,997	Full Time Employee	Bachelor of Arts	3	1-Apr-14	26	None	Nil	Mr. H. R. Gupta
9	Mr. Nandan Singh Bhakuni	General Manager (Production)	2,709,798	Full Time Employee	Master of Science- Mechanical	23	1-Aug-14	44	Osram India Pvt Ltd	0.00%	----
10	Mr. Prakash Nauriyal	General Manager (HR & Admin)	2,549,574	Full Time Employee	Bachelor of Science	36	1-Apr-08	57	Phoenix Lamps Limited	0.00%	----

(b) Employees who were in the receipt of remuneration aggregating Rs. 1,02,00,000 or more per annum, if Employed throughout the Financial Year:

None

(c) Employed for part of the financial year and was in receipt of remuneration not less than Rs. 8,50,000 per month:

None

(d) Employee who was in receipt of remuneration in excess of that drawn by the Managing Director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:

None

On behalf of the Board of Directors
For INDOSOLAR LIMITED

H. R. GUPTA	**GAUTAM SINGH KUTHARI**
Managing Director	**Director**
DIN: 00297722	**DIN: 00945195**

Place : Greater Noida
Date : August 11, 2017

ANNEXURE VI

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. International Market Overview

Total global solar PV installed capacity surpassed 300 GW by the end of 2016. 77 GW was added in 2016, a year-on-year growth rate of 34%. China led with 34.5 GW, followed by the USA (14.5 GW), Japan (10.2 GW) and India (5 GW) in fourth place.

In 2017, about 90 GW capacity is expected to be added globally, registering marginal growth over 2016. Meanwhile, India is expected to continue its rapid growth. With 9.4 GW of projected capacity addition (growth of 76% over 2016), it is set to become the third largest PV market in 2017, overtaking Japan.

Other key trends shaping the global solar industry include:

- Asia continues to dominate the solar industry while Europe continues to fall in rankings.
- Auctions are gaining universal acceptance - number of countries using auctions to allocate solar capacity has increased from 14 in 2014 to 22 in 2016.
- Solar module prices continue to fall faster than most experts had anticipated. Prices in India fell to 32 ¢/Wp in Q1 2017 (– 29% over last year). Such a rapid fall has made solar PV the cheapest new source of power in most countries and provided demand boost in emerging economies.
- Developed countries are slowly shifting towards utility scale projects whereas in emerging markets, governments are trying to encourage more rooftop solar growth.

In India, rooftop solar has maintained a 10-12% share of overall solar capacity. This is much lower than other key markets such as US, Germany, China, Spain and Australia. [Source: Bridget to India]

2. Indian Solar Market

By many accounts, the Indian solar market is on a roll. New capacity addition for 2017 is expected to touch 9.4 GW, a rise of 76% over 2016 and making India the third biggest solar market worldwide. About 12.4 GW of projects have completed auctions and are in execution stages right now. 7 developers have built up project portfolios exceeding 1 GW mark.

But all is not as it seems. The pace of new tender announcements and completed auctions has slowed down significantly in the last year (-68% and -59% respectively). Southern states have frontloaded capacity buildout – Karnataka (installed plus tendered capacity of 69% as against March 2022 target); Andhra Pradesh (74%) and Telangana (70%) and are bound to slow down. Amongst other large states, Maharashtra and Gujarat, like many others, have surplus power availability and remain unenthusiastic to new solar power.

A number of federal policies are being proposed to spur domestic demand for solar PV products. More clarity is expected on domestic content, Feed-in-Tariffs, imposition of anti-dumping duty etc.

3. Opportunities and Threats

Opportunities

a) **Development of Solar Parks:** The Government of India has sanctioned development of 40,000 MW of solar park infrastructure by the year 2020 with a financial support of M 81 billion (US $ 1.2 billion). Solar projects with a total capacity of 8,900 MW have already been allocated in 8 solar parks.

b) **Net metering:** 29 states and 7 union territories have notified grid connectivity regulations with provision for net/gross metering but on-the-ground implementation remains patchy.

c) **Subsidy for residential, institutional and government consumers:** Ministry of New and Renewable Energy has sanctioned M 50 billion ($ 750 million) funding for 30% capital subsidy for rooftop solar for residential and institutional consumer segments. In addition, up to 30% subsidy is also available for government projects.

d) **Boost in government demand:** Government is expected to become a major demand source for rooftop solar in the coming years. All building facilities under different central government departments are being urged to adopt rooftop solar and a potential of 6 GW capacity has been identified so far. SECI has already announced 500 MW of tenders for such buildings.

e) **Concessional debt financing:** The Government of India, with assistance from multilateral financial institutions such as Asian Development Bank, The World Bank and New Development Bank, has earmarked US $ 1,470 million of concessional credit lines for the rooftop solar market.

f) **Building bye-laws:** The Government of India has recommended mandatory rooftop solar installations for buildings exceeding specified size and/or power consumption thresholds under the model Building Bye Laws. Four states and union territories- Uttar Pradesh, Haryana, Chandigarh and Chhattisgarh have adopted these regulations so far.

Threats

a) Delay in tendering process of the government.

b) Non-utilization of our available manufacturing capacity.

c) Non-availability of full or part of any financial incentives which we have applied for.

d) Delays and cost overruns in expansion of our manufacturing facilities as a result of factors beyond our control.

e) The solar market is growing and competition is resulting decline in market share and margins.

f) 60% of raw material cost is silicon wafer and its manufacturing is dominated by large/ limited players in China, Taiwan and Korea.

g) The shortage of Wafer is artificially escalating their price.

h) Fear of poor quality equipment being dumped in India.

4. Future Outlook

India will be an attractive destination for the Global Investments in the coming years. Under the domestic solar market is slated to explode with projects scheduled to be implemented. The overall domestic market is estimated to swell to the level of 175 GW by 2022. Indosolar, with the proposed up-gradation, the Company would move into top tier of the market segment, which not only provides insulation from the Chinese competition but also augments the pricing premiums.

Solar power in India at current levels is already cheaper than electricity generated through diesel. Support from various Central and States Government for solar power industry is continuously increasing.

5. Risks and Concerns

About 88% of all module requirement in India is met through imports (84% from China) and resultant, the Company had utilized full running capacity in the financial year 2016-17 but at lower realization. Imports have risen in line with growth in capacity addition but exports have seen a significant downward trend.

The Company has implemented a Risk Management Policy to have a systematic process to assist in the identification, assessment, treatment and monitoring of risks which provides effective tools to manage the identified risks.

6. Internal Control Systems and its Adequacy

The Company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

Our management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015) as of March 31, 2017. The assessment involved self review, peer review and external audit.

M/s Arun K Gupta & Associates, Chartered Accountants, the statutory auditors of the Company had audited the financial statements included in this annual report and had issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

7. Financial Performance viz-a-viz Operational Performance

During the year under review, the Company's Net Sales were Rs. 44,231.09 lakhs as against Rs. 25,768.11 lakhs last year. EBITDA was Rs. 7,423.69 lakhs as against Rs. 1,050.84 lakhs last year. The Company produced photovoltaic solar cells of 195 MWp as against 110 MWp last year.

8. Human Resource

The overall employee relations were peaceful and harmonious throughout the year. Your Company continued to create a productive, learning and caring environment by implementing robust and comprehensive HR processes.

9. Cautionary Statement

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

ANNEXURE VII

CORPORATE GOVERNANCE REPORT AS ON 31ST MARCH 2017

The Company's report on Corporate Governance for the year ended on 31st March, 2017 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance Philosophy of Indosolar Limited ("the Company") rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that confirms full with laws, regulations and guidelines. The Company's philosophy on corporate governance is to achieve business excellence and maximize stakeholders' value through ethical business conduct. Company's philosophy also includes building partnership with all stakeholders. The Company defines its stakeholders as its Investors, Employees, Customers, Suppliers, Lenders, Associates and the Society at large. The Company continues its commitment to high standards of corporate governance practices.

The Management of your Company commit themselves to:

(a) Maintain the highest standards of transparency and professionalism in all aspects of decision and transactions;

(b) Ensure timely dissemination of all price sensitive information and other matters of interest to our stakeholders;

(c) Ensure that the Board exercises its fiduciary responsibilities towards all stakeholders;

(d) Comply with the rules and regulations applicable to the Company;

(e) Protect interest of all stakeholders; and

(f) Regular communication with members.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and vision to the management and supervise the functioning of the Company. The composition of the Board is governed by the Uniform Listing Agreement executed with the Stock Exchanges, the Companies Act, 2013 ("the Act") and provisions of the Articles of Association of the Company.

(A) Composition of Board

The Company has a balanced mix of executive and non-executive independent directors. The Board presently consists of (4) four directors as on 31st March 2017 out of which one is executive and three are non-executive independent directors. The Chairman of the Board is an executive director and more than half of the Board members are non-executive independent directors. The composition of the Board is in compliance with the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. The executive director is liable to retire by rotation.

(B) Non-Executive Directors' Compensation

The non-executive directors did not have any material pecuniary relationship or transaction with the Company during the year ended 31st March 2017. No stock options were granted to non-executive independent directors during the year under review.

(C) Board Meetings & Last Annual General Meeting and Attendance of Board meeting

During the financial year ended 31st March 2017, (8) eight meetings of the Board of Directors were held on 08th April 2016, 30th May 2016, 08th August 2016, 14th November 2016, 21st November 2016, 26th November 2016, 30th December 2016 and 14th February 2017. The Board meets at least once in a quarter with a time gap of not more than one hundred and twenty days between two consecutive meetings. Notice and Agenda papers of the board meeting were circulated to the Directors in advance (and at a shorter Notice for which necessary approvals obtained) for each meeting. All relevant information as required under Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 were placed before the Board from time to time.

The Eleventh Annual General Meeting (11th AGM) of your Company was held on 30th September 2016.

The names and categories of directors on the Board, their attendance record, number of directorships and committee positions as on 31st March 2017 are mentioned below:

Name of the director	Category	Attendance at meetings during 2016-17		#Total no. of directorships including this company as on 31st March 2017	Total no. of membership of the committees of Board		Total no. of chairmanship of the committees of Board	
		Board (out of 8)	11th AGM on 30th Sep. 2016		*Membership in audit and stakeholder's relationship committee	Membership in other committee	*Chairmanship in audit and stakeholder's relationship committee	Chairmanship in other committees
Mr. Hulas Rahul Gupta	Managing Director-Promoter	7	Yes	1	1	1	Nil	Nil
Mr. Gautam Singh Kuthari	Non-Executive Independent Director	8	Yes	1	2	2	2	2
Mr. Vidyut Manubhai Vora	Non-Executive Independent Director	2	No	1	2	1	Nil	Nil
Ms. Vinati Dev	Non-Executive Independent Director	7	No	1	1	1	Nil	Nil

Notes:

Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 for the purpose of considering the limit prescribed under regulation 26(1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.

* For the purpose of reckoning the limit of the Committees on which a Director can serve, the Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee of all listed and/or unlisted Public Limited Companies only have been considered as prescribed under regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.

• As per terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, it is hereby disclosed that there is no inter-se relationship amongst the directors.

(D) Independent Director

The maximum tenure of the independent director is in compliance with the Companies Act 2013 ("Act"). All the Independent Directors have confirmed that they meet the Criteria as mentioned under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149 of the Companies Act, 2013.

The terms and condition of the appointment of Independent Directors are disclosed on the website of the Company at http://www.indosolar.co.in/index.php/investor-relations. The details of such familiarization programmes for Independent Directors of the Company are posted on the website of the Company and can be accessed at http://www.indosolar.co.in/index.php/investor-relations.

(E) Details of Equity Shares held by the Non- Executive Directors

The details of the Equity Shares held by the Non-Executive Directors as on March 31, 2017 is given below:

S. No.	Name of the Director	No. of Shares held
1	Shri Gautam Singh Kuthari	1,00,000
2	Shri Vidyut Manubhai Vora	47,711

(F) Code of Conduct

The Company has formulated and implemented a Code of Conduct which is applicable to all Board members and senior management personnel of the Company. The Code of Conduct of the Company has been posted on the website of the Company www.indosolar.co.in. All the Board members and senior management personnel have affirmed compliance with the Code during the year ended 31st March 2017. The declaration from the Managing Director stating that as of 31st March 2017, all the board members and the senior management personnel have affirmed compliance with the Code of Conduct forming integral part of this report.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

(A) Terms of Reference

The terms of reference include the following as is mandated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

b. changes, if any, in accounting policies and practices and reasons for the same;

c. major accounting entries involving estimates based on the exercise of judgment by management;

d. significant adjustments made in the financial statements arising out of audit findings;

e. compliance with listing and other legal requirements relating to financial statements;

f. disclosure of any related party transactions;

g. modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statement before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee.

(B) The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

(C) Composition, Meetings and Attendance

The composition of the Audit Committee is in compliance with the requirements under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on date, it consists of (3) three members, all of them including the Chairman are non-executive independent directors. All members of the Committee are financially literate and have accounting and related financial management expertise.

Chief Financial Officer, Financial Controller and the representative of the Statutory Auditors are invitees to the Audit Committee meetings. Mr. Manish Gupta, Company Secretary of the Company also acts as Secretary of the Audit Committee.

During the financial year March 31, 2017, the Audit Committee met (8) eight times on 08th April 2016, 30th May 2016, 08th August 2016, 14th November 2016, 21st November 2016, 26th November 2016, 30th December 2016 and 14th February 2017 and necessary quorum was present at all meetings. The attendance of the members is noted below:

Name of the member	Category	Chairman / Member	No. of meetings attended
Mr. Gautam Singh Kuthari	Independent	Chairman	8
Mr. Vidyut Manubhai Vora	Independent	Member	2
Ms. Vinati Dev	Independent	Member	7

4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors has constituted Nomination and Remuneration Committee, pursuant to the requirements of Section 178 of the Companies Act, 2013 read with rules notified thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy of Nomination and Remuneration is available at http://www.indosolar.co.in/images/pdf_file/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf. Mr. Manish Gupta, Company Secretary of the Company also acts as Secretary of the Nomination and Remuneration Committee. The Committee's composition and terms of reference meet with the requirements of the above mentioned provisions.

(A) Terms of Reference

The terms of reference include the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
2. To formulate of criteria for valuation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in

accordance with the criteria to be formulated by the Committee, recommend to the Board their appointment and removal;

5. To identify whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

(B) Composition, Meetings and Attendance

The Nomination and Remuneration Committee of the Company consists of (3) three members and all of them are non-executive independent directors.

During the financial year 2016-17, the Nomination and Remuneration Committee met (3) three times on 30th May 2016, 14th November 2016 and 14th February 2017 and necessary quorum was present at all meetings. The attendance of the members is noted below:

Name of the member	Category	Chairman / Member	No. of meetings attended
Mr. Gautam Singh Kuthari	Independent	Chairman	3
Mr. Vidyut Manubhai Vora	Independent	Member	2
Ms. Vinati Dev	Independent	Member	2

(C) Performance Evaluation

The Act states that the formal annual evaluation needs to be done by the Board of its own performance and that of its Committees and individual directors, based on the criteria recommended by the Nomination and Remuneration Committee.

Regulation 17 (10) read with Schedule II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Act provides that the performance evaluation of the Independent Directors shall be done by the entire Board, excluding the director being evaluated, on the criteria formulated by the said Committee. Indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality.

(D) Remuneration Policy and Remuneration to Directors

(a) All pecuniary relationship and transaction with non-executive directors

The non-executive directors did not have any material pecuniary relationship or transaction with the Company during the financial year ended 31st March 2017. No stock options were granted to non-executive independent directors during the year under review.

(b) Remuneration paid to Executive and Non-Executive Directors:

(i) Executive Directors:

The remuneration paid to the Executive Directors is subject to the limits laid down under Sections 197, 198 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules notified thereunder and in accordance with the terms of appointment approved by the members of the Company.

Details of remuneration paid/ payable to the directors for the year under review are given below:

Name of Director	Salary & Perks (in Rs. lakhs)	Commission (in Rs. lakhs)	Total (in Rs. lakhs)
Mr. Hulas Rahul Gupta	45.36	0.00	45.36*

***The amount paid as per the MCA order (please refer the note no. 34(b) of the notes to the financial statement)**

(ii) Non-Executive Directors:

The non-executive directors are not paid any remuneration except sitting fees for attending the Board Meeting starting from the date 14th November, 2016. The Company does not have any material pecuniary relationship or transaction with its non-executive directors. The details are given below:

Name of the non-executive director	Sitting fees (Rs.)
Mr. Gautam Singh Kuthari	125,000
Mr. Vidyut Manubhai Vora	25,000
Ms. Vinati Dev	125,000

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors has constituted Stakeholders Relationship Committee, pursuant to the requirements of Section 178 of the Companies Act, 2013 read with rules notified thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Manish Gupta, Company Secretary of the Company also act as Secretary of the Stakeholders' Relationship Committee.

The Committee addresses issues relating to the redressal of grievances of shareholders including complaints related to transfer of shares, non-receipt of annual report and other related issues etc. in order to provide timely and efficient service to the stakeholders.

(A) Composition, Meetings and Attendance

The Stakeholder's Relationship Committee of the Company consists of (3) three members out of which the two members are non-executive independent director and another member is executive director of the Company. The Chairman of the Committee is non-executive independent director.

During the financial year 2016-17, the Stakeholder's Relationship Committee met (4) four times on 30th May 2016, 08th August 2016, 14th November 2016 and 14th February 2017 and necessary quorum was present at all meetings. The attendance of the members is noted below:

Name of the member	Category	Chairman / Member	No. of meetings attended
Mr. Gautam Singh Kuthari	Independent	Chairman	4
Mr. Hulas Rahul Gupta	Executive	Member	3
Mr. Vidyut Manubhai Vora	Independent	Member	2

(B) Name and address of Compliance Officer:

Mr. Manish Gupta
Company Secretary & Compliance Officer
Indosolar Limited
3C/1, Ecotech-II, Udyog Vihar
Greater Noida-201306, Uttar Pradesh
Tel. No.: +91-120-4762500; Fax No.: +91-120-4762525
E-mail: investors@indosolar.co.in and secretarial@indosolar.co.in

(C) Shareholders grievances / complaints received and resolved during the year

(i)	Number of Shareholders complaints received during the year	2
(ii)	Number of complaints not resolved to the satisfaction of shareholders	Nil
(iii)	Number of complaints pending at the end of the year	Nil

(D) Registrar and Share Transfer Agent (RTA)

Link Intime India Private Limited
Mr. V. M. Joshi-V. P. North India Operations
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina, New Delhi-110028,
Phone No.-011-41410592-94, Fax No.-011-41410591,
E. Mail: delhi@linkintime.co.in, Website: linkintime.co.in,

6. SHARE TRANSFER COMMITTEE

The Board of Directors has constituted Share Transfer Committee comprising of (2) two members viz. Shri Gautam Singh Kuthari and Shri Hulas Rahul Gupta. It exercises the powers relating to transfer of shares, re-materialisation/ split/consolidation of share certificates, delegated to it by the Board for the sake of operational convenience. The Committee would perform such other functions as may be delegated by the Board from time to time.

(A) Terms of Reference

The terms of reference include the following:

1. To approve the request for transfer, transmission, etc. of shares;
2. To approve the dematerialization and re-materialization of shares;
3. To consider and approve, split, consolidation and issuance of duplicate shares; and
4. To review from time to time overall working of the secretarial department of the company relating to the shares of the company and functioning of the share transfer agent and other related matters.

(B) Composition, Meetings and Attendance

The Share Transfer Committee of the Company consists of (2) two members out of which the Chairman is a non-executive independent director and another member is executive director of the Company.

During the financial year 2016-17, the Share Transfer Committee met (1) one time on 23rd January 2017. The attendance of the members is noted below:

Name of the member	Category	Chairman / Member	No. of meetings attended
Mr. Gautam Singh Kuthari	Independent	Chairman	1
Mr. Hulas Rahul Gupta	Executive	Member	1

7. GENERAL BODY MEETINGS

The details of the last three Annual General Meetings of the Company and Special Resolutions passed therein are noted below:

Financial Year	AGM No.	Venue	Day and Date	Time	Whether any Special Resolution Passed
2013-2014	9th	Mithas Motel & Resort, 92/16, G. T. Karnal Road, Alipur, Delhi- 110036	Tuesday, 30th September 2014	10.00 AM	Yes
2014-2015	10th	Mithas Motel & Resort, 92/16, G. T. Karnal Road, Alipur, Delhi- 110036	Wednesday, 30th September 2015	09.00 AM	Yes
2015-2016	11th	Mithas Motel & Resort, 92/16, G. T. Karnal Road, Alipur, Delhi- 110036	Friday, 30th September 2016	09.00 AM	No

(A) Postal Ballot

During the year under review, the Company has not passed any resolution through the postal ballot exercise. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

8. MEANS OF COMMUNICATION

The Company publishes unaudited quarterly/half yearly financial results reviewed by auditor and audited annual financial results in newspapers. The said results are also informed to the Stock Exchanges where the shares of the Company are listed. The quarterly & half yearly results are not being sent separately to any of the shareholder. The results are usually published in Financial Express (English Edition) and Jansatta (Hindi Edition). The Company also issues news releases on significant corporate decisions/ activities and posts them on the website of the Company.

The financial results of the Company are displayed on the website of the Company i.e. http://www.indosolar.co.in/index.php/investor-relations. The Company does not make presentations for institutional investors or to the analysts.

SCORES (SEBI Complaints Redressal System)

SEBI commenced processing of investor complaints in a centralized web based complaints redressal system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

Corporate Filing and Dissemination System (Corp-filing) & NEAPS (NSE Electronic Application Processing System)

All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through Corp-filing and NEAPS respectively. The disclosures are also mailed to the exclusive e-mail IDs of these Stock Exchanges.

Exclusive e-mail ID for Investors

Pursuant to SEBI Circular, the Company has created an e-mail ID exclusively for redressal of investors' grievances. The investors may post their grievances to the specific e-mail ID i.e. secretarial@indosolar.co.in.

9. GENERAL SHAREHOLDERS INFORMATION

(a)	**Annual General Meeting**	:	12th Annual General Meeting
	Day and date	:	Thursday, the 28th September 2017
	Time	:	9 a.m.
	Venue	:	Mithas Motel & Resort, 92/16, G.T. Karnal Road, Alipur, Delhi-110036
(b)	**Financial Calendar for 2017-18 (tentative schedule)**		
	Financial year	:	01st April, 2017 to 31st March, 2018
	Board meetings for approval of quarterly results		
	1st quarter ended on 30th June 2017	:	on or before 14th September 2017
	2nd quarter ended on 30th September 2017	:	on or before 14th December 2017
	3rd quarter ended on 31st December 2017	:	on or before 14th February 2018
	Annual results for financial year ended	:	on or before 30th May 2018
	31st March 2018 (audited)		
(c)	**Book closure date**	:	Friday, 22nd day of September 2017 to Thursday, 28th day of September 2017 (both days inclusive)
(d)	**Dividend payment date**	:	Not applicable
(e)	**Listing on stock exchanges**	:	

The equity shares of the Company are listed and traded on the following Stock Exchanges:

SL. NO.	NAME & ADDRESS OF STOCK EXCHANGES	STOCK / SCRIP CODE
1.	**BSE Limited ("BSE")** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Tel. No. 022-22721233/34 Fax: 022-22721919	**533257**
2.	**National Stock Exchange of India Limited ("NSE")** Exchange Plaza, 5th Floor, Plot No.- C/1, G-Block, Bandra Kurla Complex,Bandra (E), Mumbai-400051, Tel.: 022-26598100-14 Fax : 022-26598120	**INDOSOLAR**
ISIN No. for CDSL and NSDL: **INE866K01015**		

The Annual listing fee for the financial year 2017-18 has been paid by the Company to BSE and NSE and the Annual Custodian Fee has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2017 -18.

(f) Stock Market Data

i. Share Price Movement: The monthly High/Low Prices and Volume during the financial year 2016-17:

Stock Exchange	National Stock Exchange of India Limited ("NSE")			BSE Limited ("BSE")		
Month	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2016	8.65	7.90	6,709,966	8.68	7.90	1,538,937
May, 2016	8.65	7.20	10,837,492	8.65	7.25	2,491,622
June, 2016	9.40	6.65	17,165,252	9.40	6.60	4,444,765
July, 2016	9.50	8.20	13,864,644	9.45	8.20	3,614,588
August, 2016	8.85	7.15	7,472,695	8.75	7.11	1,703,041
September, 2016	8.50	6.95	9,598,668	8.49	7.00	2,482,899
October, 2016	7.85	7.10	7,765,184	7.88	6.82	2,046,313
November, 2016	7.60	5.70	7,357,495	7.60	5.72	2,239,440
December, 2016	6.75	5.80	3,091,320	6.98	5.81	955,376
January, 2017	8.55	6.20	12,006,728	8.50	6.25	3,477,220
February, 2017	8.40	6.90	12,110,877	8.40	6.87	3,221,406
March, 2017	7.55	6.45	6,925,915	7.56	6.50	2,062,181

ii. Performance in comparison to BSE Sensex:

Month	BSE Sensex		Indosolar Limited	
	High	Low	High (Rs.)	Low (Rs.)
April, 2016	26,100.54	24,523.20	8.68	7.90
May, 2016	26,837.20	25,057.93	8.65	7.25
June, 2016	27,105.41	25,911.33	9.40	6.60
July, 2016	28,240.20	27,034.14	9.45	8.20
August, 2016	28,532.25	27,627.97	8.75	7.11
September, 2016	29,077.28	27,716.78	8.49	7.00
October, 2016	28,477.65	27,488.30	7.88	6.82
November, 2016	28,029.80	25,717.93	7.60	5.72
December, 2016	26,803.76	25,753.74	6.98	5.81
January, 2017	27,980.39	26,447.06	8.50	6.25
February, 2017	29,065.31	27,590.10	8.40	6.87
March, 2017	29,824.62	28,716.21	7.56	6.50

iii. Performance in comparison to NSE Nifty:

Month	NSE Nifty		Indosolar Limited	
	High	Low	High (Rs.)	Low (Rs.)
April, 2016	7992.00	7516.85	8.65	7.90
May, 2016	8213.60	7678.35	8.65	7.20
June, 2016	8308.15	7927.05	9.40	6.65
July, 2016	8674.70	8287.55	9.50	8.20
August, 2016	8819.20	8518.15	8.85	7.15
September, 2016	8968.70	8555.20	8.50	6.95
October, 2016	8806.95	8506.15	7.85	7.10

November, 2016	8669.60	7916.40	7.60	5.70
December, 2016	8274.95	7893.80	6.75	5.80
January, 2017	8672.70	8133.80	8.55	6.20
February, 2017	8982.15	8537.50	8.40	6.90
March, 2017	9218.40	8860.10	7.55	6.45

iv. Share transfer system

Shares lodged for transfer at the Registrar's address are normally processed and approved by Share Transfer Committee on a fortnight basis, provided the documents are complete in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories within 15 days from the date of receipt. Grievances and other miscellaneous correspondence on change of address, mandates etc. received from Members, are processed by the Registrar and Company within 30 days.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company obtains certificate from a practicing Company Secretary on half-yearly basis to the effect that all transfers are completed in the statutorily stipulated time period. A copy of the certificate, so received, is submitted to both Stock Exchanges where the shares of the Company are listed.

All communications regarding change of address, transfer of shares and change of mandate (if the shares are held in physical form) can be addressed to our registrar and share transfer agents- Link Intime India Private Limited.

v. Shareholding

(a) The **distribution of shareholding** of the Company as on 31st March 2017 is as under:

Category (Shares)	Shareholders		Shares	
	Numbers	Percentage (%)	Numbers	Percentage (%)
001 to 500	29,004	52.9483	6,778,924	1.8929
501 to 1000	10,155	18.5385	8,681,158	2.4240
1001 to 2000	7,639	13.9454	12,815,910	3.5786
2001 to 3000	2,245	4.0984	5,937,211	1.6578
3001 to 4000	1,135	2.0720	4,197,501	1.1721
4001 to 5000	1,219	2.2253	5,905,048	1.6489
5001 to 10000	1,711	3.1235	13,401,465	3.7421
10000 to above	1,670	3.0487	300,412,783	83.8837
Total	54,778	100.0000	358,130,000	100.0000

(b) Category of shareholders holding shares in Company as on 31st March, 2017

Category	No. of shareholder	Percentage (%)	Shares held	Percentage (%)
Physical	30	00.06	6,604	00.00
NSDL	32,913	60.08	313,158,946	87.44
CDSL	21,835	39.86	44,964,450	12.56
Total	**54,778**	**100.00**	**358,130,000**	**100.00**

(c) Valuation of Shares: The closing price of the Company's share as on 31st March, 2017 on the Stock Exchanges are given below:

Sl. No.	Name of the stock exchanges	Share price
1.	BSE Limited ("BSE")	Rs. 6.80
2.	National Stock Exchange of India Ltd. ("NSE")	Rs. 6.80

(d) Market Capitalization: Based on the closing quotation of Rs. 6.80 as on 31st March, 2017 at NSE, market capitalization of the Company was Rs. 24,352.84 Lakhs.

(e) Shareholding pattern of the Company as on 31st March 2017 is as under:

Category code	Category of Shareholder	Number of Shares	Percentage (%)
(A)	**Shareholding of Promoter and Promoter Group**		
1	Indian	137,240,497	38.32
2	Foreign	69,241,052	19.33
Sub Total(A):		**206,481,549**	**57.66**
(B)	**Public shareholding**		
1	**Institutions**		
(a)	Financial Institutions / Banks	16,177,531	4.52
Sub-Total (B)(1):		**16,177,531**	**4.52**
2	**Non-institutions**		
(a)	Bodies Corporate	12,209,897	3.41
(b)	Individual shareholders holding nominal share capital up to Rs 2 lakh	63,435,336	17.71
(c)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	49,260,945	13.76
(d)	Trusts	12,644	0.00
(e)	Non-Resident Indians	2,297,321	0.64
(f)	Hindu Undivided Family	5,360,279	1.50
(g)	Clearing Members	2,894,498	0.81
Sub-Total (B)(2):		**135,470,920**	**37.83**
	Total Public Shareholding (B)(1)+(B)(2):	**151,648,451**	**42.34**
Grand Total:		**358,130,000**	**100.00**

vi. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company had issued 9,500,000 zero coupon non-convertible, non- cumulative redeemable preference shares having par value of Rs. 10 each per share in the year ended 31st March 2013. In the Annual General Meeting held on 30th September, 2015, the shareholders had approved change in terms of 9,500,000 zero coupon non-convertible, non-cumulative redeemable preference shares to 9,500,000 compulsorily convertible preference shares 'CCPS'. "In-principle" approval from stock exchanges had been received on 16th October 2015 and on 04th April 2016 from NSE and BSE respectively. Accordingly, during the year on 08th April 2016 the Company changed the terms of preference shares subject to the condition that the mentioned 9,500,000 compulsorily convertible preference shares shall be locked-in for a period of one year from the date of allotment. The said CCPS shall be converted into 87,31,617 equity shares @ Rs.10.88 per equity share (including premium of Rs. 0.88 per share) within 18 months from the date of allotment. The preference shareholders will have right of dividend or to vote at the General Meeting of Equity Shareholders after the conversion into equity shares.

vii. Plant locations

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

viii. Address for correspondence

Corporate Office

Indosolar Limited
3C/1, Ecotech-II, Udyog Vihar
Greater Noida-201306, Uttar Pradesh
Tel. No. : +91-120-4762500; Fax No.: +91-120-4762525
E. mail: investors@indosolar.co.in and secretarial@indosolar.co.in

10. OTHER DISCLOSURES

(A) Disclosure on Materially Significant Related Party Transactions

Materially Significant Related Party Transactions during the financial year 2016-17, that may have potential conflict with the interest of the Company at large. The details of the related party transactions as per Accounting Standard-18 form part of Notes to Accounts.

The Company's Policy on Related Party Transactions is available on the Company's Website i.e. www.indosolar.co.in.

There were no materially significant related party transactions that may have potential conflict with the interests of Company at large. Details of all other related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their subsidiaries or relatives etc. are present under Note No. 34 to Financial Statements.

(B) Non-compliance/strictures/penalties

There were no instances of non-compliance by the Company on any matter related to capital markets and therefore, no penalties and/or strictures have been imposed on the Company or Board of Directors by any Stock Exchange or SEBI or any statutory authority during the last three years.

(C) Vigil Mechanism / Whistle Blower Policy

The Company promotes the ethical behaviour in all its business activities and has put in place a mechanism for importing the illegal or unethical behaviour. The Company has a Vigil Mechanism/ Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the Year under review, no employee approached the Nodal Officer or MD or Chairman Audit Committee. The policy is available on the Company Website www.indosolar.co.in.

(D) Reconciliation of Share Capital

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(E) Code Practices and Procedure for the Fair Disclosure of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by the insider under SEBI (Prohibition of Insider Trading) Regulations 2015

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular No. CIR/ISD/01/2015 dated May 11, 2015; the Company has formulated and published on its official website i.e. www.indosolar.com "Code of Fair Disclosure" and "Code of Conduct for Prevention of Insider Trading". All concerned have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman & Managing Director of the Company is annexed to this Report.

(F) Website

The following updates and information can be accessed through the company's website i.e. www.indosolar.co.in

- Quarterly/Half Yearly/ Annual Financial Results
- Shareholding Pattern
- Corporate disclosures made to the Stock exchanges
- Details of unclaimed shares
- Various Policies, etc.

(G) Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements

The Company has complied with all the mandatory requirements as mandated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(H) Details of Unclaimed Shares in terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has opened a separate demat suspense account named as "INDOSOLAR LIMITED

UNCLAIMED SUSPENSE ACCOUNT" and credited the shares of the Company which are remaining unclaimed by the shareholders allotted pursuant to the Initial Public Offering (IPO).

The details of such unclaimed shares as on 31st March 2017 are set out below:

Particulars	No. of Cases	No. of Shares of Rs. 10 each
Aggregate number of shareholders and outstanding shares in the suspense account lying on 1st April 2016	05	3,385
Number of shareholders who approached to the Company /registrar for transfer of shares from suspense account upto 31st March 2017	0	0
Number of shareholders to whom shares were transferred from suspense account upto 31st March 2017	0	0
Aggregate number of shareholders and outstanding shares in the suspense account lying at the end of the year, i.e. as on 31st March 2017	05	3,385
The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

The shareholders who have not so far received their shares allotted to them in the IPO are requested to contact by writing to the Company and / or the Registrar and Share Transfer Agents of the Company alongwith necessary documents.

11. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of annual report through electronic means to those shareholders whose e-mail IDs are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories. To support this green initiative of the Government, shareholders are requested to register their e-mail ID with the DPs, in case shares are held in dematerialized form and with the RTA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail IDs to DPs / RTA/ Company from time to time.

NOTE:

The details are given purely by way of Information. Members may make their own Judgement and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

INDOSOLAR LIMITED
C-12 Friends Colony (East)
New Delhi-110065

We have examined all relevant records of Indosolar Limited ("the Company") for the purpose of certifying the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2017. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**
Company Secretaries

Shashikant Tiwari
Partner
(Membership No. ACS 28994, CP 13050)

Place : New Delhi
Date : August 11, 2017

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

H.R. GUPTA
Managing Director
DIN: 00297722

Place : Greater Noida
Date : August 11, 2017

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

We, Hulas Rahul Gupta (DIN: 00297722), Managing Director and Anand Kumar Agarwal, Chief Financial Officer of INDO-SOLAR LIMITED, to the best of our knowledge and belief hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

  (i) significant changes in internal control over financial reporting during the year;

  (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

H.R. GUPTA
Managing Director
DIN: 00297722

A.K. AGARWAL
Chief Financial Officer
PAN: AAAPA0706B

Place : Greater Noida
Date : August 11, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Indosolar Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Indosolar Limited ("the Company"),which comprise the balance sheet as at 31st March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section134(5) of the Companies Act 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

4. Basis for Qualification

a) The Company has continued to incur significant losses in the current year 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 exceeds the current assets by Rs. 1,32,838.85 lakhs as on 31st March 2017. The Company's short term borrowings and other current liabilities as at 31st March 2017 include balances payable to various lender banks amounting to Rs. 5,209.26 lakhs and Rs. 1,27,627.54 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 31st March 2017 and interest expense (including penal interest, if any) for year ended 31st March 2017 and the consequential impact on the accompanying statement.

b) The company's claim of it being eligible for certain capital incentives may be further disputed by the Department of Information Technology before the Honorable Supreme Court and the outcome will be known upon the conclusion of the litigation. Also refer note 43 to the Financial Statements.

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 3864.89 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. If the appeal is accepted the NFE as on 31st March, 2017 would be negative by Rs 2034.71 lakhs. Also refer note 33 of Financial Statements.

On the basis of the overall evaluation of the above factors and considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the 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 sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 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 and uncertainty on the ability of the company to meet its export obligations 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.

d) During the 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 4,654.32 lakhs for the year ended 31st March 2017. Had the Company provided the interest on such assigned loans, the losses, the current liabilities and Reserve &Surplus(debit balances) for the year ended March 2017 would have been higher by Rs 4,654.32 lakhs.

5. Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 4 (a,b,c) which highlight material uncertainties, the impact of which is currently not as certainable including the ability of the company to continue as a going concern and paragraph 4(d) regarding non provision of interest, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2017, its loss and its cash flows for the year ended on that date.

6. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

a. We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account;

d. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

e. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

f. On the basis of written representations received from the directors as on 31 March 2017, and take non record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial Statements –Refer note 41 & 43 to the financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses; and

iii. The Company did not have any dues on account of Investor Education and Protection Fund.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management- Refer Note 37 to financial statements.

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

(GIREESH KUMAR GOENKA)
PARTNER
M. No. 096655

Place: Greater Noida
Date: 27 May, 2017

Annexure-A to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017. We report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased manner and no material discrepancies have been noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, Paragraph 3 (iii) (a), (b) and (c) of the Order are not applicable.

(iv) The Company has not given any loans, or made any investments, or provided any guarantee,or security as specified under section 185 and 186 of the Companies Act 2013. Accordingly, Paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by Central government for maintenance of cost records under section 148 (1) of the Companies Act 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) a According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs,

duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of excise, duty of custom, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of income tax, sales tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of the statute	Nature of the dues	Amount in Rupees (lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	19.40	2010-2011	Commissioner of Service tax
Finance Act, 1994	Service tax	151.06	2011-2012	Commissioner of Service tax
Finance Act, 1994	Service tax	19.69	2012-2013	Commissioner of Service tax
Finance Act, 1994	Service tax	11.52	2013-2014	Commissioner of Service tax
Income Tax Act, 1961	Penalty	13.81	2013-2014	Commissioner Appeal – Delhi

(viii) In our opinion and according to the information and explanations given to us, and based on our examination of the books of account and related records, the Company has defaulted in repayment of dues to its bankers as disclosed below. Due to non fulfilment of its obligation under CDR package, exited from CDR cell all long term borrowings become current liabilities. The Company did not have any outstanding dues to financial institutions, government and debenture holders during the year.

Nature of the lender	Nature of dues	Amount in rupees (lakhs)	Period to which it relates
Andhra Bank	Interest	5,875.24	July 2013- March 2017
Andhra Bank	Principal	16,226.23	October 2013- March 2017
Bank of Baroda	Interest	5,766.59	July 2013- March 2017
Bank of Baroda	Principal	10,561.59	October 2013- March 2017
Corporation Bank	Interest	7,622.69	April 2013- March 2017
Corporation Bank	Principal	15,530.83	October 2013- March 2017
Indian Bank	Interest	3,753.73	April 2013- March 2017
Indian Bank	Principal	9,179.22	October 2013- March 2017
Union Bank of India	Interest	17,389.66	April 2013- March 2017
Union Bank of India	Principal	41,007.31	October 2013- March 2017

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loans during the year. Accordingly, Paragraph 3 (ix) is not applicable.

(x) According to the information and explanations given to us, no material fraud by or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has paid and provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties which are not in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to information and explanations given to us, the Company has not entered in to any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013. Accordingly, Paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

(GIREESH KUMAR GOENKA)
PARTNER
M. No. 096655

Place: Greater Noida
Date: 27 May 2017

Annexure-B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Indosolar Limited ("the Company") as on 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

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

(GIREESH KUMAR GOENKA)
PARTNER
M. No. 096655

Place: Greater Noida
Date: 27 May, 2017

BALANCE SHEET AS AT 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

		Note	As at 31 March 2017	As at 31 March 2016
	Equity and Liabilities			
1	**Shareholders' funds**			
	(a) Share capital	2	**36,763.00**	36,763.00
	(b) Reserves and surplus	3	**(66,410.29)**	(60,591.77)
			(29,647.29)	(23,828.77)
2	**Non-current liabilities**			
	(a) Long-term borrowings	4 and 6	**1,188.41**	49,319.79
	(b) Long-term provisions	7	**56.55**	28.62
			1,244.96	49,348.41
3	**Current liabilities**			
	(a) Short-term borrowings	5	**5,209.26**	6,892.38
	(b) Trade payables	8		
	i) Total outstanding dues of micro enterprises and small enterprises		**102.09**	148.56
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		**3,168.24**	4,175.94
	(c) Other current liabilities	9	**132,108.91**	73,455.36
	(d) Short-term provisions	7	**44.33**	25.67
			140,632.83	84,697.91
	TOTAL		**112,230.50**	110,217.55
	Assets			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Property, Plant and Equipmemt	10(a)	**45,396.87**	44,540.85
	(ii) Intangible assets	10(b)	**7.31**	6.92
	(iii) Capital work-in-progress	10(c)	**56,315.07**	59,653.92
			101,719.25	104,201.69
	(b) Long-term loans and advances	11	**2,279.01**	827.10
	(c) Other non-current assets	12	**438.26**	146.40
			104,436.52	105,175.19
2	**Current assets**			
	(a) Inventories	13	**3,947.48**	2,633.90
	(b) Trade receivables	14	**1,125.51**	348.77
	(c) Cash and bank balances	15	**961.63**	83.92
	(d) Short-term loans and advances	11	**1,705.21**	1,926.33
	(e) Other current assets	12	**54.15**	49.44
			7,793.98	5,042.36
	TOTAL		**112,230.50**	110,217.55

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements 2 to 46

As per our report attached

For Arun K. Gupta & Associates
Chartered Accountants
Firm registration number: 000605N

Gireesh Kumar Goenka
Partner
Membership No.: 096655

Place: Greater Noida
Date: 27 May, 2017

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

H.R. Gupta
Managing Director
DIN:00297722

Gautam Singh Kuthari
Director
DIN:00945195

Anand Kumar Agarwal
Chief Financial Officer

Manish Gupta
Company Secretary
Membership No.: A29854

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2017	For the year ended 31 March 2016
1	**Revenue from operations**			
	Sale of product (gross)	16	**44,224.61**	25,740.93
	Less : excise duty		**-**	-
	Sale of product (net)		**44,224.61**	25,740.93
	Other operating revenue	16	**6.48**	27.18
2	Other income	17	**297.44**	215.91
	Total revenue		**44,528.53**	25,984.02
3	**Expenses**			
	Cost of material consumed	18	**30,419.79**	18,778.14
	Purchase of stock in trade	19	**631.31**	302.35
	Change in inventories of finished goods and work in progress	20	**(1,383.32)**	72.33
	Employee benefits expenses	21	**1,572.85**	1,037.88
	Other expenses	22	**5,864.21**	4,742.48
	Total expenses		**37,104.84**	24,933.18
	Profit/(Loss) before finance costs, depreciation/ amortisation cost and exceptional items		**7,423.69**	1,050.84
4	Finance costs	23	**10,393.81**	12,520.96
5	Depreciation and amortisation expense	24	**2,834.17**	2,657.08
	Profit/(Loss) before tax		**(5,804.29)**	(14,127.20)
	Tax expense			
	Current Tax - (Tax adjustment for earlier years)		**14.23**	-
	Profit/(Loss) for the year		**(5,818.52)**	(14,127.20)
	Earning per equity share (par value Rs. 10 per share)	25		
	- Basic		**(1.62)**	(3.94)
	- Diluted		**(1.62)**	(3.94)

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements 2 to 46

As per our report attached

For Arun K. Gupta & Associates
Chartered Accountants
Firm registration number: 000605N

Gireesh Kumar Goenka
Partner
Membership No.: 096655

Place: Greater Noida
Date: 27 May, 2017

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

H.R. Gupta
Managing Director
DIN:00297722

Gautam Singh Kuthari
Director
DIN:00945195

Anand Kumar Agarwal
Chief Financial Officer

Manish Gupta
Company Secretary
Membership No.: A29854

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

		For the year ended 31 March 2017	For the year ended 31 March 2016
A.	**Cash flow from operating activities**		
	Loss before tax	**(5,804.29)**	(14,127.20)
	Adjustments for:		
	Depreciation	**2,834.17**	2,657.08
	Loss on sale of fixed assets	**-**	11.52
	Interest expense	**10,393.81**	12,520.96
	Interest income from fixed deposits	**(34.07)**	(65.82)
	Interest from investments	**0.00**	-
	Interest from other	**(26.06)**	-
	Interest on income tax refund	**(1.26)**	-
	Amortised ancillary cost of arranging the borrowings	**49.44**	-
	Provisions/ liabilities no longer required written back	**-**	(125.79)
	Provision for doubtful debts	**131.12**	48.68
	Bad debts written off	**0.44**	125.79
	Unrealised exchange loss (net)	**64.85**	16.54
	Operating profit before working capital changes	**7,608.15**	1,061.76
	Changes in operating assets and liabilities:		
	(Decrease)/increase in provisions	**46.59**	16.48
	(Decrease)/increase in trade payables	**(1,119.02)**	2,762.16
	Decrease in other assets	**-**	49.43
	Decrease/(Increase) in trade receivables	**(908.30)**	(368.69)
	Decrease/(increase) in inventories	**(1,313.58)**	(410.20)
	(Increase)/decrease in loans and advances	**61.47**	114.06
	Increase in other current liabilities	**919.87**	(1,596.09)
	Cash used from operations	**5,295.18**	1,628.91
	Direct taxes (paid)/refund received	**17.29**	(11.35)
	Net cash used from operations	**5,312.47**	1,617.56
B.	**Cash flow from investing activities**		
	Purchase of fixed assets including CWIP and capital advances	**(2,060.23)**	(1,827.02)
	Proceeds from sale of fixed asset	**0.01**	153.29
	Proceeds from maturity of fixed deposits	**(624.00)**	1,403.19
	Interest received	**46.12**	93.56
	Net cash used from investing activities	**(2,638.10)**	(176.98)

		For the year ended 31 March 2017	For the year ended 31 March 2016
C.	**Cash flow from financing activities**		
	Proceeds from loan taken	**1,395.11**	-
	Repayment of loans	**(3,312.18)**	(2,225.78)
	Interest paid	**(171.59)**	(163.57)
	Net cash generated from financing activities	**(2,088.66)**	(2,389.35)
	Net increase in cash and cash equivalents	**585.71**	(948.77)
	Opening cash and cash equivalents	**78.82**	1,027.59
	Closing cash and cash equivalents	**664.53**	78.82
	Cash and cash equivalent comprises:		
	Cash in hand	**5.76**	1.15
	Balances with scheduled banks	**658.77**	77.67
		664.53	78.82

Notes:

(a) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard 3 – Cash Flow Statements as specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(b) Significant accounting policies and the accompanying notes form an integral part of the cash flow statement.

As per our report attached

For Arun K. Gupta & Associates
Chartered Accountants
Firm registration number: 000605N

Gireesh Kumar Goenka
Partner
Membership No.: 096655

Place: Greater Noida
Date: 27 May, 2017

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

H.R. Gupta
Managing Director
DIN:00297722

Gautam Singh Kuthari
Director
DIN:00945195

Anand Kumar Agarwal
Chief Financial Officer

Manish Gupta
Company Secretary
Membership No.: A29854

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

Company Overview

Indosolar Limited is a public company domiciled and headquartered in India. The Company's shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is the leading Indian manufacturer of solar photovoltaic cells and its manufacturing facility is located at Greater Noida, Uttar Pradesh.

1. **Significant accounting policies**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

i. **Basis of preparation**

These financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard's) amendment Rules 2016, the provisions of the Act (to the exte notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policie shave been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use. The figures under this financial statements are rounded off to the nearest lakhs and all amounts represented in Indian Rupees.

As on 31st March 2017, the current liabilities exceed the current assets by Rs.132,838.84.In the meeting of CDR EG, held on 29th September 2016, company exited from the CDR mechanism. 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. The Company has received a communication from Andhra Bank and Indian Bank informing absolute assignment and transfer of all its debts and securities etc to Asset Reconstruction Company (India) Limited (ARCIL). In the absence of execution of restructuring agreement with ARCIL, regarding such assignment of facilities, adjustments, if any, in the carrying value of borrowings could not be ascertained.

The Solar industry had 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 significant part of last four years, had recommenced the commercial production from August 2015. Based on orders in hand of approximately 59 MW as on 31 March 2017, the Company expects to operate at the significant level of capacity at least till July 2017.

World Trade Organization (WTO) issued a ruling against India's DCR Policy to promote domestically manufactured power equipment. Government of India is now issuing another policy in the name of Central Public Sector Undertakings "CPSU" Scheme to replace the DCR policy which is outside the ambit of WTO ruling. The government intends to issue the tenders through defined CPU's to the extent of 8-12 Giga Watt. In view of above, the Company is expected to utilize reasonable capacity in ensuing years. In view of above facts financial statements have been prepared on going concern basis.

ii. **Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, incomes and expenses and disclosure of contingent liabilities on the date of the financial statements. Examples of estimates among others includes provision for doubtful debts, provision of future obligations under employee retirement benefit plans, estimated useful life of fixed assets, provision for warranties and sales returns, customer claims, provision for price change and estimates of future cash flow for impairment testing. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized in accordance with the requirements of the respective Accounting Standard, generally prospectively, in current year and future periods.

iii. **Current and non-current classification**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realized within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

iv. **Revenue recognition**

Sale of goods

Revenue from sale of goods in the course of ordinary activities is recognized when property in goods or all significant risks and rewards of their ownership are transferred to the customers and no significant uncertainty exist regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognized as revenue is exclusive of duties, taxes and is net of returns and discounts.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

v. **Fixed assets**

Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write down is recognised in the statement of profit & loss.

Cost of assets not ready for use and administration and other general overhead expenses that are directly attributable to the construction activity of specific asset until commissioning of such assets, are disclosed as Capital work in progress.

Intangible fixed assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulate amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific assets to which it relates.

vi. **Depreciation**

Property, plant and equipment

Depreciation on property, plant and equipment is provided on straight-line method over the estimated useful life of each asset as given below. Estimated useful lives of assets are determined based on internal assessment estimated by management of the Company and supported by technical advises where ever so required. The management believes that useful life currently used, which is prescribed under Schedule II to the Companies Act 2013, fairly reflect its estimates of the useful lives and residual value of fixed assets, through these lives in certain cases are different from lives prescribed under Schedule II.

Type of Assets	Useful lives in years
Factory Building	30
Non-Factory Building	60
Plant & Machinery *	5 to 25
Furniture & Fixtures	10
Office Equipment	5
Vehicle	8 to 10
Computer	3

Leasehold land is amortized on straight line basis over the period of lease i.e. 90 years.

*****Based on internal technical evaluation and external advised received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

Depreciation on addition to fixed assets is provided on pro rata basis from the date on which is ready for use. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale/deduction.

Intangible fixed assets

Intangible assets representing computer software are depreciated over a period of 5 years on a pro rata basis.

vii. **Impairment**

The carrying amounts of the Company's assets are reviewed at each reporting date in accordance with Accounting Standard-28 'Impairment of assets' to determine whether there is any indication of impairment.

If any such indication exists, the asset's recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, had no impairment loss been recognized.

viii. **Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as expense in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

Expenses incurred on commitment charges and other ancillary costs related to availing of loan facility or loan commitment from banks are amortized over the period of loan commencing from the first drawdown of such loans. Until such commencement of amortization, they are disclosed in the financial statements as unamortized borrowing cost.

ix. **Operating leases**

Lease rental in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on straight-line basis over the lease term.

x. **Inventories**

Inventories which comprise raw materials, finished goods, stock-in-trade and stores and spares are carried at the lower of cost and net realizable value.

Cost of inventories comprises of all cost of purchase including duties and taxes other than those subsequently recovered by the enterprise from the tax authorities, freight inward, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on the basis of first-in first-out method. In the case of manufactured inventories fixed production overheads are allocated on the basis of normal capacity of production facilities. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

Obsolete and slow moving inventories are identified at the time of physical verification of inventories and, where necessary, a provision for obsolescence is recognized or the same is written-off.

Consumables stores are charged to the Statement of profit and loss at the point of purchase.

Stock of scrap and waste is valued at estimated realizable value. Machinery spares that are of regular use are charged to Statement of Profit and Loss as and when consumed.

xi. **Foreign currency transactions**

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realized gains and losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss. Monetary assets and monetary liabilities that are determined in foreign currency are translated at the exchange rate prevalent at the date of Balance Sheet. The resulting difference is recorded in the Statement of Profit and Loss.

In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items used for

acquisition of depreciable capital asset, are added to or deducted from the cost of asset, till it is capitalized, and are depreciated over the balance life of asset.

In respect of forward exchange contracts taken by the Company for hedging purposes, the premium or discount on such contracts is amortized as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognized as an income or expense for the period. The exchange difference on such a forward exchange contract is calculated as the difference between-

(a) the foreign currency amount of the contract translated at the exchange rate at the Balance Sheet date, or the settlement date where the transaction is settled during the reporting period; and

(b) the same foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

xii. **Employee benefits**

The Company's obligations towards various employee benefits have been recognized as follows:

Short- term employee benefits:

All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. These benefits include salaries and wages, allowances, bonus and ex-gratia, short-term compensated absences and the expected cost of other benefits is recognized in the period in which the employee renders the related service.

Post-employment benefits:

- Defined contribution plan

  A defined contribution plan is a post-employment plan under which an entity pays specified contribution to a separate entity and have no obligation to pay further amount. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution to defined contribution plans is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

- Defined benefit plans

  The Company's gratuity benefit scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

- Other long term employee benefit:

  As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. The Company accounts for the liability for compensated absences payable in future and long service awards based on an independent actuarial valuation using the projected unit credit method as at the year end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

xiii. **Taxation**

Income tax is accrued in the same period in which the related revenue and expense arise. Income tax expenses comprise current tax (i.e. the amount of tax for the period determined in accordance with the Income-tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to

the extent there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognized in the period in which the timing differences originate.

xiv. **Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders by the number of equity shares outstanding at the end of the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares except where the results would be anti-dilutive.

xv. **Provisions and contingencies**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible but not probable obligation or a present obligation that may, but probably will not, entail an outflow of resources. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

xvi. **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and fixed deposits with banks with an original maturity of three months or less.

xvii. **Segment Reporting**

Identification of Segment:

Primary & Secondary Segment

The activities of the company relate to single segment i.e. manufacture of solar cells and modules & has only one reportable segment. However, the analysis of Company's revenue generation is based on the geographical location of its customer's and does not have any identifiable "Primary Segment" for reporting.

Geographical Segment

For Sales Revenue:

Sales within India include sales to customers located within India.

Sales outside India include Sales to customers located outside India.

Accordingly, the geographical location segments have been considered for disclosure as follows:

For Carrying amount of Geographical Segment Assets (i.e. receivables);

Carrying amount (receivables) of Geographical segmented assets are as follows:

Receivables within India

Receivables outside India

xviii. **Measurement of EBITDA**

As permitted by the guidance note on schedule III to the Companies Act, 2013, the company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit & loss. The company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the company includes interest income but does not include depreciation and amortization expenses, finance cost and tax expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

2 SHARE CAPITAL

	As at 31 March 2017	As at 1 March 2016
Authorised share capital		
400,000,000 (Previous year 400,000,000) equity shares of Rs. 10 each	**40,000.00**	40,000.00
100,000,000 (Previous year 100,000,000) preference shares of Rs. 10 each	**10,000.00**	10,000.00
Issued, subscribed and paid up shares		
358,130,000 (Previous year 358,130,000) equity shares of Rs. 10 each	**35,813.00**	35,813.00
9,500,000 (Previous year 9,500,000) preference shares of Rs. 10 each	**950.00**	950.00
Total	**36,763.00**	36,763.00

a. Term and rights attached to shares:

Equity shares	As at 31 March 2017		As at 31 March 2016	
	Number ('000)	Amount	Number ('000)	Amount
At the beginning of the year	**358,130.00**	**35,813.00**	358,130.00	35,813.00
Add : Fresh issue of share	**-**	**-**	-	-
At the end of the year	**358,130.00**	**35,813.00**	358,130.00	35,813.00
Preference shares				
At the beginning of the year	**9,500.00**	**950.00**	9,500.00	950.00
Add : Fresh issue of share	**-**	**-**	-	-
At the end of the year	**9,500.00**	**950.00**	9,500.00	950.00

b. Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Equity shares

The Company has only one type of equity share having par value of Rs. 10. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid. The Company pays and declares dividends in Indian Rupees. The dividend proposed, if any, by the Board of directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares

The Comapny had issued 9,500,000 zero coupon non-convertible, non- cumulative redeemable preference shares having par value of Rs. 10 each per share in the year ended 31 March 2013. In the Annual General Meeting held on 30th September, 2015, the shareholders had approved change in terms of 9,500,000 zero coupon non-convertible, non-cumulative redeemable preference shares to 9,500,000 compulsorily convertible preference shares 'CCPS'. "In-principle" approval from stock exchanges had been received on 16 October 2015 and on 4 April 2016 from NSE and BSE respectively. Accordingly, during the year on 8 April 2016 the Company changed the terms of preference shares subject to the condition that the mentioned 9,500,000 compulsorily convertible preference shares shall be locked-in for a period of one year from the date of allotment. The said CCPS shall be converted into 87,31,617 equity shares @ Rs.10.88 per equity share (including premium of Rs. 0.88 per share) within 18 months from the date of allotment. The preference shareholders will have right of dividend or to vote at the General Meeting of Equity Shareholders after the conversion into equity shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

c. Particulars of shareholders holding more than 5%

	As at 31 March 2017		As at 31 March 2016	
	Number ('000)	**% of total shares in the class**	Number ('000)	% of total shares in the class
Equity shares of Rs. 10 each fully paid				
Hulas Rahul Gupta	**80,385.49**	**22.45%**	80,385.49	22.45%
Greenlite Lighting Corporation	**69,241.05**	**19.33%**	69,241.05	19.33%
Bhushan Kumar Gupta	**56,500.00**	**15.78%**	56,500.00	15.78%
Preference shares of Rs. 10 each fully paid				
Rising Fibers Private Limited	**9,500.00**	**100.00%**	9,500.00	100.00%

d. For the period of five years immediately preceding the date of Balance sheet no shares were allotted for consideration other than cash. Further no bonus shares have been issued and there has been no buy back of shares during the period of five years immediately preceding the date of balance sheet.

3 RESERVES AND SURPLUS

	As at 31 March 2017	As at 31 March 2016
Securities premium account		
At the commencement of the year	**21,487.58**	21,487.58
Closing balance	**21,487.58**	21,487.58
(Loss) in the Statement of Profit and Loss		
At the commencement of the year	**(82,079.35)**	(67,952.15)
Add: (Loss) for the year	**(5,818.52)**	(14,127.20)
Net (loss) in the Statement of Profit and Loss	**(87,897.87)**	(82,079.35)
Total Reserves and surplus	**(66,410.29)**	(60,591.77)

4 LONG-TERM BORROWINGS*

	Non-current portion		**Current maturities**	
	As at 31 March 2017	As at 31 March 2016	**As at 31 March 2017**	As at 31 March 2016
TERM LOAN FROM BANKS:				
Facility A - Term Loan (secured) # @	**-**	22,362.30	**34,421.24**	12,058.94
Facility B - Priority Medium Term Loan (secured) # @	**-**	-	**11,220.67**	11,220.67
Facility C - Working Capital Term Loan (secured) # @	**-**	6,434.69	**9,582.20**	3,464.83
Facility D - Funded Interest Term Loan (secured) # @	**-**	4,597.75	**9,195.50**	4,597.75
Term loan from Union Bank (secured) @	**-**	14,820.00	**22,800.00**	7,980.00
Loan from related party:				
Loan from shareholders (unsecured) {Refer note 6 (ii) and note 34}	**1,188.41**	1,105.05	**-**	-
	1,188.41	49,319.79	**87,219.61**	39,322.19
Total above amount includes				
Secured borrowings	**-**	48,214.74	**87,219.61**	39,322.19
Unsecured borrowings	**1,188.41**	1,105.05	**-**	-
	1,188.41	49,319.79	**87,219.61**	39,322.19
Less: Amount disclosed under "Other current liabilities" (Refer note 9)	**-**	-	**(87,219.61)**	(39,322.19)
	1,188.41	49,319.79	**-**	-

* Refer note 6

Also refer note 6 (iii) (b)

@ Also refer note 6 (iii) (c)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

5 SHORT-TERM BORROWINGS (SECURED)*

	As at 1 March 2017	As at 31 March 2016
Cash credit loans repayable on demand	**2,811.16**	3,106.63
Buyers credit**	**-**	880.35
Short term borrowing from bank	**2,398.10**	2,905.40
	5,209.26	6,892.38

* Refer Note 6

** Against import of Plant and Machinary to be paid out of Priority Term Loan.

i) Principal terms of repayment, rate of interest and security for borrowings during the current year

	Nature of Security	Terms of repayment and rate of interest
a)	**Facility A - Term Loans [Rs. 34,421.24 (Previous year: Rs. 34,421.24)]**	
	(i) First pari passu charge on fixed assets both present and future. (ii) Second pari passu charge on all moveable properties including moveable machinery, machinery spares, tools and accessories, book debts, current assets, present and future, including stock of raw materials, semi-finished and finished goods, consumable stores, book debts etc. (iii) The loan facilities are also secured by way of personal guarantees given by the Directors of the Company i.e. Mr. B. K. Gupta and Mr. H.R. Gupta. (iv) The loan facilities are further secured by the pledge of 100% of the equity share capital held by the promoters of the Company.	Repayment term: Refer Note 6 (iii) (f) below Rate of interest: The rate of interest shall be 10.75% p.a. till 31 March 2014 and the same shall increase by 0.25% per annum thereafter, till it reaches maximum of 12%.
b)	**Facility B-Priority Medium Term Loan [Rs.11,220.67 (Previous year: Rs. 11,220.67)]**	
	(i) Priority medium term loans have priority charge on subsidy receivable. (ii) In addition, the facility is secured as described in (a) above	Repayment term: Refer Note 6 (iii) (f) below Rate of interest: The rate of interest shall be 11% p.a.
c)	**Facility C - Working Capital Term Loan (WCTL) [Rs. 9,582.20 (Previous year: Rs. 9,899.52)]**	
	The facility is secured as described in (a) above	Repayment term: Refer Note 6 (iii) (f) below Rate of interest: The rate of interest shall be 6.75% p.a. till 31 March 2013 and will be increased to 10.75% w.e.f. 1 April 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

	Nature of Security	Terms of repayment and rate of interest
d)	**Facility D - Funded Interest Term Loan ('FITL') [Rs. 9,195.50 (Previous year: Rs. 9,195.50)]**	
	The facility is secured as described in (a) above	Repayment term: Refer Note 6 (iii) (f) below Rate of interest: Interest shall be charged @ 6.75% p.a. up till 31 March 2013 and will be increased to 10.75% w.e.f. 1 April 2013.
e)	**Term loan from Union Bank [Rs. 22,800.00 (Previous year: Rs. 22,800.00)]**	
	The facility is secured as described in (a) above	Repayment term: Refer Note 6 (iii) (f) below Rate of interest: Interest shall be charged @ 11.00% p.a.
f)	**Cash credit loan repayable on demand [Rs. 2,811.16 (Previous year: Rs. 3,106.63)]**	
	(i) First pari passu charge on all current assets, present and future, including stock of raw materials, semi-finished and finished goods, consumable stores & book debts etc. (ii) Second pari passu charge on fixed assets both present and future. (iii) The loan facilities are also secured by way of personal guarantees given by the Directors of the Company i.e. Mr. B. K. Gupta and Mr. H.R. Gupta. (iv) The loan facilities are further secured by the pledge of 100% of the equity share capital held by the promoters of the Company.	Repayment term: The loan is repayable on demand. Rate of interest: Interest shall be charged @10.75% p.a. and is reviewed on annual basis.
g)	**Short term borrowings [Rs. 2,398.10 (Previous year Rs. 2,905.40)]**	
	The facility is secured as described in (f) above	Repayment term: The loan is repayable on demand. Rate of interest: Interest shall be charged @ 10.75% p.a.
h)	**Buyer's credit [Rs. Nil (Previous year: Rs. 880.35)]**	
	The facility is secured as described in (a) above	Repayment term: The same is repayable in a period not exceeding 360 days from date of its origination. Rate of interest: Interest payable @ 0.92% per annum.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

6 DEBT RESTRUCTURING IN THE YEAR ENDED 31 MARCH 2012

i) Background

The Company had set up a green field project for manufacturing Solar Photovoltaic cells with a capacity of 160 MW, comprising two lines of 80 MW each under Phase –I and are in the process of setting up an additional manufacturing facility Line -3 with a 200 MW capacity under Phase – II, at Plot No. 3C/1 Ecotech-II, Udyog Vihar Greater Noida in the State of Uttar Pradesh. The lending banks ('Lenders') had, at the request of the Company, sanctioned term loans, deferred payment guarantee facilities and working capital facilities on such terms and conditions as contained in various loan agreements / facility agreements entered into between the Company and the Lenders.

ii) Conditions that lead to restructuring

The Company witnessed significant downturn due to weak demand both globally as well as in the domestic market and incurred significant cash and operating losses. There was a mismatch between cost and selling prices that resulted in the stoppage of plant from September 2011, which severely impacted the cash flow position of the Company prompting the filing of a restructuring package of its loans that existed as on 1 July 2011 with the Corporate Debt Restructuring Cell ('CDR Cell'). At the request of the Company and in consideration of its commitment to improve its operations, the application filed was referred to the Corporate Debt Restructuring Forum, a non-statutory voluntary mechanism set up under the aegis of the Reserve Bank of India (hereinafter referred to as the "CDR"). Pursuant thereto, the CDR Empowered Group at their meeting held on 30 January 2012 approved a restructuring package in terms of which the loans as of 1 July 2011 were restructured and certain additional financial assistance was proposed to be extended to the Company that was set out in the Letter of Approval dated 7 March 2012 issued by Corporate Debt Restructuring Cell to the Lenders and the Company (hereinafter referred to as the "CDR Package").

The terms and conditions of the CDR were binding on the Lenders and the Company, effective from the date of the signing of the Master Restructuring Agreement ('MRA') i.e. 28 March 2012 with each of the Lenders (except for Indian Bank). The Company had accordingly given effect to the CDR scheme w.e.f. from 1 July 2011, in the financial statements for the year ended 31 March 2012. However one of the banks of the consortium group i.e. Indian Bank had not agreed to the CDR package and had not signed the Master Restructuring Agreement (MRA). The MRA was signed by the concerned bank on 5 July 2012. In connection with obtaining the necessary approvals for restructuring of existing loans, the promoters contributed funds in accordance with sanction letter. As a consequence, the Company received an unsecured loan from its promoters amounting to Rs. 950.00.

During the financial year 2013-14, the Company received interest free unsecured loan from a party amounting to Rs. 250.00 towards meeting expenses and also to meet promoters contribution requirement under CDR-2, to be converted into 25,00,000 zero coupon redeemable non convertible non cumulative preference shares of face value of Rs 10 each after approval from shareholders. However during the previous year, after approval from shareholders the Company has, instead of prefrence shares, allotted 2,500,000 equity shares of Rs 10 each at par value.

iii) Principal terms of the Master restructuring Agreement ('MRA') in accordance with the CDR scheme.

a) Waivers of existing events of default and the consequential effect thereof:

The Company in accordance with the terms and conditions of the MRA agreed to the reconstitution of the Existing Loans due to the Lenders pursuant to the CDR Package. As part of the restructuring arrangement, the Lenders waived any existing Events of Default in connection with the Existing loans and any rights, remedies or powers that had arisen in connection therewith. Also, each of the Lenders waived the obligation of the Company to pay any liquidated damages, default or penal interest / interest / further interest charged by the Lenders in excess of the interest rates specified in the existing documents for financing and security of such Lender as they existed prior to 1 July 2011, without considering any increase in such rates on account of the occurrence of any default under such documents, together with compound interest, penalties or any other charges thereon under those documents of such Lender during the period commencing on 1 July 2011 and ending on 30 June 2013.

In accordance with the CDR scheme the consortium of lenders had waived the obligation of the Company to pay any liquidated damages, default or penal interest / interest / further interest charged by the Lenders in excess of the concessional rates approved under CDR package.

b) Restructuring of the loans existed as at 1 July 2011:

- **Each of the Lenders and Company agreed that the loans shall be reconstituted as follows:**
- Rupee Term Loans of Rs. 34,485.82 together with all interest, charges, costs, expenses and any other amounts accrued was reconstituted into **Facility -A;**
- Short Term Loan of Rs. 2,200.00 from Andhra Bank outstanding as on 1 July 2011 i.e. the Cut–off date was rescheduled and converted into "Priority Medium Term Loan" as **Facility -B;**
- Irregularity as on 31 March 2012 in Working Capital Limits comprising cash credit, packing credit, buyer's credit facility, bill discounting and irregularities due to anticipated devolvement of LCs was converted into WCTL as **Facility C;**
- Interest accrued/ to be accrued on Secured term loans, Short term loan and WCTL until 30 June 2013 to be funded by way of Funded Interest Term Loan ("FITL") as **Facility- D.**

c) Sanction for additional funding

i. Project Loan from Union Bank of India

Union Bank of India ('UBI') sanctioned a Project Loan amounting to Rs. 27,500 (including Term Loan- II of Rs. 22,800 for project Line-C and Priority Term Loan of Rs. 4,700).

ii. Priority medium term loan

As part of the CDR package the Lenders agreed to provide additional funding in the form of priority medium term loans of Rs. 10,000 for the implementation of 200 MW Plant in the proportion of the outstanding exposure to the Company as on the 1 July 2011.

d) Reset of Interest Rate:

The Lenders alongwith the approval of CDR EG, shall have a right to reset the rate of interest on the term loans after every three years (or short period as decided by the CDR EG) and working capital interest rate every year.

e) Consequential effect of the CDR Scheme on the interest cost and the classification of the interest accrued on borrowings as loans

As explained in note 6 (iii) (a) above, the Lenders waived the obligation of the Company to pay any liquidated damages, default or penal interest / interest / further interest charged by the Lenders in excess of the concessional rates approved under the CDR package w.e.f 1 July 2011. Consequently, an interest credit received from the Lenders amounting to Rs 1,201.70 and the balance of interest accrued outstanding as at 31 March 2012 relating to various facilities amounting to Rs 3,502.00 was transferred to FITL.

f) Default in repayment of loan and interest

In light of continuing downturn in the solar industry where margins were under significant stress and the continuing operating and cash losses of the Company, the Company could not achieve the projection submitted under first CDR package. Considering the above, the Company had approached its lenders for second CDR package in the financial year ended March 31, 2014 which was not considered by lenders. During the current year the company exited from CDR machanism as per CDR EG meeting held on 29 September 2016 and Company's accounts became Non Performing Assets ("NPA") accordingly all long term borrowings have been classified as current liabilities. Consequently the default in repayment of loan is Rs.92505.18 (Previous year Rs.29,244.69), and interest of Rs.40,407.91 (Previous year Rs.30,199.89)

7 PROVISIONS

	Long-term		Short-term	
	As at 31 March 2017	As at 31 March 2016	**As at 31 March 2017**	As at 31 March 2016
Provision for employee benefits (Refer note 38)				
- Provision for gratuity	**-**	-	**26.80**	13.77
- Provision for compensated absences	**56.55**	28.62	**17.53**	11.90
	56.55	28.62	**44.33**	25.67

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

8 TRADE PAYABLES

	As at 31 March 2017	As at 31 March 2016
- Total outstanding dues of creditors other than micro enterprises and small enterprises	**3,168.24**	4,175.94
- Total outstanding dues of micro enterprises and small enterprises (refer note 44)	**102.09**	148.56
	3,270.33	4,324.50

9 OTHER CURRENT LIABILITIES

	As at 31 March 2017	As at 31 March 2016
Current maturities of long-term borrowings (Refer note 4)	**87,219.63**	39,322.20
Interest accrued but not due on long term borrowings	**-**	-
Interest accrued and due on long term borrowings	**-**	30,044.35
Interest accrued and due on short term/current maturity of long term borowings	**40,407.91**	146.07
Interest accrued and due on others	**14.20**	9.47
Creditor for capital goods	**2,966.19**	3,352.16
Other payables		
Salary,wages and bonus payable	**152.96**	137.45
Advance from customers	**1,322.73**	393.43
Tax deducted at source payable	**6.85**	26.22
Other statutory dues payable	**18.44**	24.01
	132,108.91	73,455.36

10(a). PROPERTY, PLANT AND EQUIPMEMT

As at 31 March 2017

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2016	Additions during the year	Disposals	As at 31 March 2017	As at 1 April 2016	Depreciation charged for the year	Disposals	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Leasehold land	2,581.03	-	-	**2,581.03**	223.94	29.56	-	**253.50**	**2,327.53**	2,357.09
Building - Factory	3,519.49	3,590.73	-	**7,110.22**	805.13	217.66	-	**1,022.79**	**6,087.43**	2,714.36
Building - Non Factory	1,403.32	-	-	**1,403.32**	159.64	22.11	-	**181.75**	**1,221.57**	1,243.68
Building (temporary structure)	14.35	-	-	**14.35**	14.35	-	-	**14.35**	**-**	-
Plant and machinery	58,888.86	85.38	-	**58,974.24**	21,030.65	2,462.67	-	**23,493.32**	**35,480.92**	37,858.21
Furniture and fixtures	590.83	1.33	-	**592.16**	328.58	71.61	-	**400.19**	**191.97**	262.25
Office equipment	71.46	4.17	-	**75.63**	63.32	2.31	-	**65.63**	**10.00**	8.14
Vehicles	263.61	-	-	**263.61**	176.76	22.79	-	**199.55**	**64.06**	86.85
Computers	47.67	7.04	0.28	**54.43**	37.40	3.91	0.27	**41.04**	**13.39**	10.27
Total	**67,380.62**	**3,688.65**	**0.28**	**71,068.99**	**22,839.77**	**2,832.62**	**0.27**	**25,672.12**	**45,396.87**	**44,540.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

As at 31 March 2016

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2015	Additions during the year	Disposals	As at 31 March 2016	As at 1 April 2015	Depreciation charged for the year	Disposals	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Leasehold land	2,581.03		-	**2,581.03**	194.38	29.56	-	**223.94**	**2,357.09**	2,386.65
Building - Factory	3,519.49	-	-	**3,519.49**	694.65	110.48	-	**805.13**	**2,714.36**	2,824.84
Building - Non Factory	1,403.32	-	-	**1,403.32**	137.47	22.17	-	**159.64**	**1,243.68**	1,265.85
Building (temporary structure)	14.35	-	-	**14.35**	14.35	-	-	**14.35**	**-**	-
Plant and machinery	58,739.55	327.31	178.00	**58,888.86**	18,657.88	2,388.71	15.94	**21,030.65**	**37,858.21**	40,081.67
Furniture and fixtures	590.83	-	-	**590.83**	256.81	71.77	-	**328.58**	**262.25**	334.02
Office equipment	67.97	3.49	-	**71.46**	61.60	1.72	-	**63.32**	**8.14**	6.37
Vehicles	288.75	29.91	55.05	**263.61**	198.31	30.75	52.30	**176.76**	**86.85**	90.44
Computers	38.96	8.71	-	**47.67**	36.39	1.01	-	**37.40**	**10.27**	2.57
Total	**67,244.25**	**369.42**	**233.05**	**67,380.62**	**20,251.84**	**2,656.17**	**68.24**	**22,839.77**	**44,540.85**	**46,992.41**

10(b). INTANGIBLE FIXED ASSETS

As at 31 March 2017

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2016	Additions during the year	Disposals	As at 31 March 2017	As at 1 April 2016	Amortisation for the year	Disposals	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Intangible fixed assets										
Computer Software	19.40	1.93	-	**21.33**	12.48	1.54	-	**14.02**	**7.31**	6.92
Total	**19.40**	**1.93**	**-**	**21.33**	**12.48**	**1.54**	**-**	**14.02**	**7.31**	**6.92**

As at 31 March 2016

Particulars	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2015	Additions during the year	Disposals	As at 31 March 2016	As at 1 April 2015	Amortisation for the year	Disposals	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Intangible fixed assets										
Computer Software	12.11	7.29	-	19.40	11.58	0.90	-	12.48	6.92	0.53
Total	**12.11**	**7.29**	**-**	**19.40**	**11.58**	**0.90**	**-**	**12.48**	**6.92**	**0.53**

10(c). CAPITAL WORK-IN-PROGRESS

As at 31 March 2017

Particulars	Building - Factory	Plant and machinery	Total
Capital work-in- progress			
Balance as at 1 April 2016	3,132.69	56,521.23	59,653.92
Additions *	458.04	(206.16)	251.88
Assets capitalised during the year	3,590.73	-	3,590.73
Balance as at 31 March 2017	**-**	**56,315.07**	**56,315.07**
Balance as at 1 April 2015	3,120.48	54,302.61	57,423.09
Additions	12.21	2,218.62	2,230.83
Assets capitalised during the year	-	-	-
Balance as at 31 March 2016	**3,132.69**	**56,521.23**	**59,653.92**

*Borrowing cost of Rs. Nil (previous year Rs. 787.57) and amortised ancillary cost of Rs. Nil (previous year Rs. 12.36) have been included in additions to capital work-in-progress. Capital work in progress includes exchange gain to Rs. 222.74 (previous year exchange loss Rs. 398.34) relating to the application of para 46A of AS -11 "Accounting for the effects of changes in foreign exchange rates". Capital work in progress also includes Rs. 11.76 (previous year Rs. 13.77) on account of directly attributable expenses. Unamortised exchange fluctuation is Rs.4079.67 (previous year Rs.4302.41)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

11 LOAN AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Loan and advances (unsecured, considered good)	Long-term		Short-term	
	As at 31 March 2017	As at 31 March 2016	**As at 31 March 2017**	As at 31 March 2016
Capital advances	**1,968.19**	645.67	**-**	-
Security deposits	**280.86**	121.21	**-**	-
	2,249.05	**766.88**	**-**	**-**
Advances recoverable in cash or in kind				
Balance with statutory/ government authorties	**-**	-	**1,153.89**	1,451.34
Advance tax [net of provision Rs.Nil (previous year Rs.Nil)]	**29.96**	60.22	**-**	-
Prepaid expenses		-	**87.40**	44.96
Advance to vendors/suppliers	**-**	-	**456.11**	421.90
Advance to employees	**-**	-	**7.81**	8.13
Unsecured, considred doubtful				
Balance with statutory/ government authorties	**-**	-	**355.31**	-
	29.96	**60.22**	**2,060.52**	**1,926.33**
Less Provision for balance with statutory/ government authorties not recoverable	**-**	-	**355.31**	-
	29.96	**60.22**	**1,705.21**	**1,926.33**
	2,279.01	**827.10**	**1,705.21**	**1,926.33**

12 OTHER ASSETS

	Non-current		Current	
	As at 31 March 2017	As at 31 March 2016	**As at 31 March 2017**	As at 31 March 2016
Non current bank balances (Refer note 15)	**347.30**	15.30	**-**	-
Unamortised ancillary cost of arranging the borrowings	**75.38**	124.82	**49.44**	49.44
	422.68	140.12	**49.44**	49.44
Others				
Interest accrued but not due on fixed deposit	**15.58**	6.28	**4.71**	-
	15.58	6.28	**4.71**	-
	438.26	146.40	**54.15**	49.44

13 INVENTORIES

Inventories	**As at 31 March 2017**	As at 31 March 2016
Raw material and components	**821.30**	1,158.26
Finished goods (includes goods in transit Rs.Nil (previous year Rs.109.73)	**2,425.70**	1,042.38
Stores, spares and other consumables	**700.48**	433.26
	3,947.48	2,633.90

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

14 TRADE RECEIVABLES (CONSIDERED GOOD, UNLESS OTHERWISE STATED)

	As at 31 March 2017	As at 31 March 2016
Receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured, considered good	**0.24**	78.50
Unsecured, considered doubtful	**257.24**	134.94
	257.48	213.44
Less: Provision for doubtful debts	**(257.24)**	(134.94)
Total (A)	**0.24**	78.50
- Others receivables		
Unsecured, considered good	**1,125.27**	270.27
Total (B)	**1,125.27**	270.27
Total (A+B)	**1,125.51**	348.77

15 CASH AND BANK BALANCES

	Non current		**Current**	
	As at 31 March 2017	As at 31 March 2016	**As at 31 March 2017**	As at 31 March 2016
Balance with banks:				
On current account	**-**	-	**658.77**	77.67
Cash on hand	**-**	-	**5.76**	1.15
Deposits with original maturity of less than three months	**-**	-	**-**	-
	-	-	**664.53**	78.82
Other bank balances				
Deposits with bank with maturities more than 12 months *	**347.30**	15.30	**-**	-
Deposits with bank with maturities more than 3 months and less than 12 months*	**-**	-	**297.10**	5.10
	347.30	15.30	**297.10**	5.10
Amount disclosed under non current assets (Refer note 12)	**(347.30)**	(15.30)	**-**	-
	-	-	**961.63**	83.92

*****Deposits aggregating to Rs.442.00(Previous year Rs.20.00) are in the nature of margin money kept with banks against Bank Gurantee/Letter of Credit and Rs.0.40(Previous year Rs.0.40) are pledged with VAT Authorities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

16 REVENUE FROM OPERATIONS

	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of product		
Sale of products - finished goods (gross)	**43,628.27**	25,379.93
Sale of products - traded goods	**596.34**	361.00
Less : Excise duty	**-**	-
Sale of products (net)	**44,224.61**	25,740.93
Other operating revenue		
Scrap sale	**6.48**	27.18
	6.48	27.18
Break -up of revenue from sale of products		
Solar cells	**43,628.27**	25,379.93
Solar module	**596.34**	361.00
Power plants	**-**	-
	44,224.61	25,740.93

17 OTHER INCOME

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest income on bank deposits	**34.07**	65.82
Interest income on others	**27.32**	0.50
Provisions/ liabilities no longer required written back	**-**	125.79
Foreign exchange gain (net)	**236.05**	17.20
Miscellaneous	**-**	6.60
	297.44	215.91

18 COST OF MATERIAL CONSUMED

	For the year ended 31 March 2017	For the year ended 31 March 2016
Inventory at the beginning of the year	**1,158.26**	693.36
Add : Purchases	**30,082.83**	19,243.04
Less : Inventory at the end of the year	**821.30**	1,158.26
Cost of raw material consumed	**30,419.79**	18,778.14
Detail of material consumed		
Silicon multi-crystalline wafers	**24,181.39**	15,346.75
Conductor paste	**3,701.14**	1,840.08
Chemicals	**1,441.35**	898.96
Screens	**448.43**	289.16
Gases	**647.48**	403.19
	30,419.79	18,778.14
Detail of inventory		
Silicon multi-crystalline wafers	**524.84**	772.69
Conductor paste	**155.78**	157.57
Chemicals	**72.85**	89.21
Screens	**44.99**	93.31
Gases	**22.84**	45.48
	821.30	1,158.26

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

19 PURCHASE OF STOCK IN TRADE

	For the year ended 31 March 2017	For the year ended 31 March 2016
Purchase of stock in trade (solar panel and modules)	**631.31**	302.35

20 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended 31 March 2017	For the year ended 31 March 2016
Inventories at the beginning of year		
- Finished goods	**1,042.38**	1,114.71
Inventories at the end of year		
- Finished goods (includes goods in transit Rs.Nil (previous year Rs.109.73)	**2,425.70**	1,042.38
Decrease/(increase) during the year	**(1,383.32)**	72.33
Detail of inventory		
Finished goods		
Solar cells	**2,052.73**	835.74
Solar modules	**120.35**	68.80
Broken cells	**153.19**	97.08
Rejected cells	**99.42**	40.76
	2,425.69	1,042.38

21 EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries, wages and bonus*	**1,292.01**	832.00
Contribution to provident and other funds	**107.02**	84.17
Gratuity (refer note 38)	**42.54**	14.87
Staff welfare expenses	**131.28**	106.84
	1,572.85	1,037.88

*after adjusting recovery of managerial remmunaration in previous year refer note 34.

22 OTHER EXPENSES

Other expenses	For the year ended 31 March 2017	For the year ended 31 March 2016
Advertisement and sales promotion	**65.17**	86.89
Selling and distribution expenses	**292.22**	273.18
Fuel and power	**2,151.65**	1,598.95
Equipment rental charges (refer note 27)	**16.74**	16.61
Loading and unloading charges	**108.10**	72.37
Spares consumed	**746.75**	747.98
Consumable stores	**216.21**	193.19
Travel and conveyance	**250.30**	109.21
Professional Expenses	**562.06**	518.20
Auditor's remuneration (refer note 36)	**28.57**	41.99
Rent (refer note 27)	**18.50**	8.26
Loss on sale of fixed assets	**-**	11.52
Insurance	**82.02**	46.54
Communication	**57.89**	48.92

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

Other expenses	For the year ended 31 March 2017	For the year ended 31 March 2016
Repair and maintenance :		
- Plant and machinery	**260.69**	194.36
- Vehicle	**54.42**	44.10
- Others	**63.07**	45.70
Rates and taxes	**22.03**	35.17
Bank charges	**133.30**	123.58
Provision for service tax not recoverable	**355.31**	-
Provision for doubtful debts	**122.30**	48.68
Bad debts written off	**9.26**	125.79
Prior period expenses (refer note 35)	**92.98**	98.88
Miscellaneous expenses	**154.67**	252.41
	5,864.21	4,742.48

23 FINANCE COSTS

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest expense on:		
-Term loan (refer note 45)	**9,800.34**	11,716.42
-Working capital (refer note 45)	**416.98**	804.54
-Other	**176.49**	-
	10,393.81	12,520.96

24 DEPRECIATION AND AMORTISATION EXPENSE (REFER NOTE 10)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation on tangible assets	**2,832.63**	2,656.18
Amortisation on intangible assets	**1.54**	0.90
	2,834.17	2,657.08

25 EARNING PER EQUITY SHARES (EPS)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Net loss as per the Statement of Profit and Loss	**(5,818.52)**	(14,127.20)
Number of equity shares at the beginning of the year	**358,130,000**	358,130,000
Number of equity shares at the end of the year	**358,130,000**	358,130,000
Weighted average number of equity shares at the end of the year for Basic EPS	**358,130,000**	358,130,000
Add: Potential equity shares on conversion of CCPS allotted	**8,564,161**	-
Weighted average number of equity shares at the end of the year for Diluted EPS	**366,694,161**	358,130,000
Nominal Value of Share	**Rs 10/-**	Rs 10/-
Earning Per Share		
Basic EPS	**(1.62)**	(3.94)
Diluted EPS*	**(1.62)**	(3.94)

*Since the effects of conversion of potential equity shares to equity shares are antidilutive,these effects have been ignored as per AS-20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

26 DEFERRED TAX ASSETS / LIABILITY

	For the year ended 31 March 2017	For the year ended 31 March 2016
Deferred tax liability		
Impact of depreciation/ amortisation allowed as per the books of accounts and allowed as per the Income tax Act, 1961	**7,143.91**	7,033.51
Deferred tax assets		
Brought forward losses as per tax laws *	**7,143.91**	7,033.51

* The Company has significant unabsorbed depreciation/carry forward losses as per the tax laws. In view of absence of virtual certainty of realisation of carried forward tax losses/unabsorbed depreciation in the foreseeable future, deferred tax asset has been recognised only to the extent of deferred tax liability.

27 LEASE TAKEN BY THE COMPANY

The Company has various operating leases under cancellable and non cancellable operating lease arrangements for plant and machinery, accommodation for employees and other assets which are renewable on a periodic basis. Rent expenses for operating leases included in the Statement of Profit and Loss is Rs. 35.24 (previous year: Rs. 24.87).

28 CIF VALUE OF IMPORTS

	For the year ended 31 March 2017	For the year ended 31 March 2016
Raw material	**17,946.89**	16,565.52
Capital goods	**265.05**	463.82
Components and spare parts	**728.85**	428.44
Total	**18,940.79**	17,457.78

29 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Business Promotion	**-**	8.27
Selling Expenses	**39.80**	13.15
Legal and professional	**23.58**	-
Travelling expenses	**13.26**	7.20
Finance cost	**-**	0.82
Testing charges	**14.78**	-
Repairs and maintenance	**81.08**	35.63
Other expenses	**7.32**	0.41
Total	**179.82**	65.48

30 EARNING IN FOREIGN CURRENCY

	For the year ended 31 March 2017	For the year ended 31 March 2016
FOB value of exports#	**13,011.75**	15,665.60
Total	**13,011.75**	15,665.60

Includes deemed exports to EOU/SEZ units amounting to Rs.11352.40 (previous year Rs.13,267.23)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

31 THE COMPANY'S FOREIGN CURRENCY EXPOSURE ON ACCOUNT OF PAYABLES NOT HEDGED AS ON 31 MARCH 2017 AND 31 MARCH 2016 IS AS FOLLOW:

	Amount in Foreign currency	Amount in Rupees
EURO	**41.36**	**2,864.13**
	(43.33)	(3,254.14)
Singapore Doller	**0.03**	**1.47**
	(-)	(-)
US Dollar	**34.91**	**2,263.29**
	(59.98)	(3,978.41)

Previous year figures are given in brackets

32 THE COMPANY'S FOREIGN CURRENCY EXPOSURE ON ACCOUNT OF RECEIVABLES NOT HEDGED AS ON 31 MARCH 2017 AND 31 MARCH 2016 IS AS FOLLOW:

	Amount in Foreign currency	Amount in Rupees
Receivables:		
EURO	-	-
	(0.57)	(42.85)
US Dollar	-	-
	(1.81)	(119.97)

Previous year figures are given in brackets

33. 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. 159,774.66 (Previous year Rs.136,051.85) in foreign currency for Raw Material consumption; Stores & Spares and Expenses in foriegn currency including amortization of all imported Plant and Machinery and the Company could earn in foreign currency equivalent to Rs. 182,937.00 (Previous year Rs.138,546.53) as per para 6.9(f) of FTP resulting into positive NFE Rs. 23,162.34 (Previous year Rs.2,494.68). In case company also amortize value of Line-C till date (commercial production is yet to start) our NFE will become negative to the extend Rs. 2,034.71 (Previous year Rs.17,922.67).

34a) Names of related parties

Nature of Relationship	Name of Related Party	
Key Management Personnel.	Mr. H.R Gupta	(Managing Director)
	Mr. B.K Gupta	(Chairman and Whole Time Director) till 17.08.2015
	Mr. A.K.Agarwal	(Chief financial officer)
Relatives of Key Management Personnel.	Priya Desh Gupta	(Mother of Mr H.R.Gupta)
	Abha Gupta	(Wife of Mr H.R.Gupta)
	Roshini Gupta	(Daughter of Mr H.R.Gupta)
	Pranav Gupta	(Son of Mr H.R.Gupta)
Enterprises owned or significantly influenced by Key management personnel or their relatives	Greenlite Lighting Corporation	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

b) Related party transaction

Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
Transactions during the year				
Managerial Remuneration*				
Mr. H.R Gupta	45.36	-	-	45.36
	(134.40)	-	-	(134.40)
Mr. B.K Gupta	12.63	-	-	12.63
	(50.59)	-	-	(50.59)
Adjustment of excess remuneration paid against unsecured loan				
Mr. H.R Gupta	-	-	-	-
	(204.53)	-	-	(204.53)
Mr. B.K Gupta	-	-	-	-
	(124.51)	-	-	(124.51)
Adjustment of excess TDS paid in previous year against unsecured loan				
Mr. H.R Gupta	53.69	-	-	53.69
	-	-	-	-
Mr. B.K Gupta	29.67	-	-	29.67
	-	-	-	-
Adjustment of excess remuneration paid from imprest account				
Mr. H.R Gupta	-	-	-	-
	(3.79)	-	-	(3.79)
Salary Paid				
Mr Pranav Gupta	-	29.47	-	29.47
	-	(24.16)	-	(24.16)
Ms Roshini Gupta	-	28.92	-	28.92
	-	(11.98)	-	(11.98)
Balances Outstanding as at year end (Credits)				
Managerial remuneration				
Mr. H.R Gupta	1.46	-	-	1.46
	(4.44)	-	-	(4.44)
Salary				
Mr. Pranav Gupta	-	4.76	-	4.76
	-	(1.14)	-	(1.14)
Ms. Roshini Gupta	-	4.24	-	4.24
	-	(0.64)	-	(0.64)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
Unsecured loan:				
Mr. H.R Gupta	53.69	-	-	53.69
	-	-	-	-
Mr. B.K Gupta	614.17	-	-	614.17
	(584.50)	-	-	(584.50)
Greenlite Lighting Corporation	-	-	520.55	520.55
	-	-	(520.55)	(520.55)
Pledge of Shares#				
Mr. H.R Gupta				
(80,385,494 (Previous year 80,385,494) Equity Shares of Rs.10/- each)	5,466.21	-	-	5,466.21
	(6,591.61)	-		(6,591.61)
Mr. B.K Gupta				
(56,500,001 (Previous year 56,500,001) Equity Shares of Rs.10/- each)	3,842.00	-	-	3,842.00
	(4,633.00)	-	-	(4,633.00)

*I. Remuneration includes related to Mr. H.R Gupta paid against approval from MCA vide SRN C47011408 Dated 20 March 2015 for Financial Year 2014-15 Rs.5.04, for Financial Year 2015-16 Rs.20.16 and to Mr. B.K Gupta paid against approval from MCA vide SRN C47007919 20 March 2015 for Financial Year 2014-15 Rs.5.04, for Financial Year 2015-16 Rs.7.59.
*II. In previous year the Company has accrued/paid managerial remuneration which was in excess of the limits specified in Schedule V read with Section 197 of the Companies Act, 2013. The Company had filed applications with the Central Government for regularizing the payments of managerial remuneration. Subsequent to the year end, the Company received letters from Central Government rejecting such applications. Accordingly, the Company had recovered the managerial remuneration paid in financial year 2015-16 of Rs. 184.99 and in financial year 2014-15 of Rs. 147.84 by adjusting the payable balances of directors. The recovered amount has been netted off from employee benefit expenses for the year ended 31 March 2016.

Valued at year end market price (NSE).

Previous year figures are given in braket.

35 PRIOR PERIOD EXPENSES

PARTICULARS	For the year ended 31 March 2017	For the year ended 31 March 2016
Advertisement and sales promotion	**23.07**	-
Legal & Professional Expenses	**11.16**	90.00
Rent	**11.95**	-
Repair and maintenance	**22.21**	8.87
Miscellaneous Expenses	**24.59**	-
Total	**92.98**	98.87

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

36 STATUTORY AUDITOR'S REMUNERATION

PARTICULARS	For the year ended 31 March 2017	For the year ended 31 March 2016
a) Statutory audit fees	**10.00**	20.00
b) Limited reviews fee*	**15.00**	18.00
c) Tax audit fees	**2.00**	-
d) Certification charges	**-**	2.50
e) Out of pocket expenses*	**1.57**	1.49
Total	**28.57**	41.99

*Includes Rs.7.00 towards limited review fee and Rs.0.88 towards out of pocket expenses to erstwhile auditor's.

37 The details of Specified Bank Notes (SBN's) and other denomination notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as under:

Particulars	SBN's	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1.30	3.60	4.90
Add: Permitted Receipts	-	3.44	3.44
Less: Permitted Payments	-	5.64	5.64
Less: Amount deposited in Banks	1.30	-	1.30
Closing Cash in Hand as on 30.12.2016	-	1.40	1.40

38 EMPLOYEES BENEFIT

Disclosure in respect of employee benefits under Accounting Standard 15 "Employee Benefits"

a) Defined Contribution Plans: The Company has recognised Rs. 91.36 (Previous year Rs. 69.12) related to employers' contribution to Provident Fund Scheme in the Statement of Profit and Loss.

b) Post employment benefit plan in the form of gratuity:

The Company has a post employment benefit in the form of gratuity wherein the last drawn salary plus dearness allowance is used to compute gratuity as per the provisions of the Payment of Gratuity Act, 1972. A period of 5 years has been considered as vesting and the maximum benefit that can be availed under the scheme is Rs. 10.00.

Particulars	As at 31 March 2017	As at 31 March 2016
Changes in the present value of defined benefit obligation		
Projected benefit obligation at the beginning of the year	**81.11**	75.02
Current service cost	**26.77**	15.91
Interest cost	**6.49**	5.81
Benefits paid	**(0.72)**	(13.75)
Actuarial gain/ (loss)	**12.86**	(1.88)
Past service cost	**-**	-
Projected benefit obligation at the end of the year	**126.51**	81.11
Changes in the fair value of the plan assets		
Fair value of the plan assets in the beginning of the year	**67.34**	69.57
Expected return on plan assets	**5.72**	6.26
Employer contributions	**27.40**	7.24
Fund Management Charges LIC	**(0.70)**	(0.70)
Benefits Paid	**(0.72)**	(13.75)
Actuarial gain/ (loss)	**0.67**	(1.28)
Fair value of the plan assets in the end of the year	**99.71**	67.34
Amount recognised in the Balance Sheet		
Projected benefit obligation at the end of the year	**126.51**	81.11
Fair value of the plan assets in the end of the year	**(99.71)**	(67.34)
Funded status of the plans liabilities	**(26.79)**	(13.77)
Present value of unfunded obligation	**-**	-
Unrecognised past service cost	**-**	-
Amount not recognised as an Asset (limit in para 59 (b))	**-**	-
Liability/ (asset) recognised in the Balance Sheet	**26.80**	13.77
Gratuity expenses recognised in the Statement of Profit and Loss		
Current service cost	**26.77**	15.91
Interest cost	**6.49**	5.81
Expected return on plan assets	**(5.72)**	(6.26)
Net actuarial (gain) recognised in the year	**12.19**	(0.59)
Loss on “acquisition/divestiture”		
Past service cost	**-**	-
Effect of limit in para 59 (b)	**-**	-
Net gratuity cost	**39.73**	14.87

c) Experience adjustment

Particulars	Year ended				
	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017
Defined benefit obligation	46.67	53.51	75.02	81.11	**126.51**
Plan assets	66.36	72.17	69.57	67.34	**99.71**
Surplus/(Deficit)	19.69	18.66	(5.44)	(13.77)	**(26.79)**
Experience adjustment on plan liabilities	(9.33)	8.01	(5.45)	(0.47)	**(4.66)**
Experience adjustment on plan assets	1.11	-	(0.17)	(1.28)	**0.67**

d) The principal actuarial assumptions used for post employment benefit plan in the form of gratuity, as at the balance sheet date is as under:

Particulars	As at 31 March 2017	As at 31 March 2016
Economic assumptions		
Discount rate	**7.35%**	8.00%
Long term rate of compensation increase	**6.00%**	2.00% for first two years and 6% thereafter
Demographic assumptions		
Retirement age	**60 years**	60 years
Mortality table	**Indian Assured Lives Mortality (2006-08) Ult.**	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rates		
Ages (years)		
21-30	**5.00%**	5.00%
31-40	**3.00%**	3.00%
41-59	**2.00%**	2.00%

39 SEGMENT INFORMATION

(a) Information about primary business segment

In the opinion of the management, there is only one reportable segment i.e. manufacturing of solar cells and module, as envisaged by Accounting Standard 17 "Segment Reporting", prescribed by the Companies (Accounting Standards) Rules, 2006.

(b) Information on secondary/ geographical segment

The Company sells its products to various customers within the country and also exports to other companies. Considering the size and proportion of exports to local sales, the Company considers sales made within the country and exports as different geographical segments.

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Segment revenue		
Domestic	**42,564.38**	23,220.42
Overseas	**1,660.23**	2,520.51
Total	**44,224.61**	25,740.93

Particulars	As at 31 March 2017	As at 31 March 2016
Segment assets *		
Domestic	**110,203.35**	109,428.29
Overseas	**2,027.15**	789.26
Total	**112,230.50**	110,217.55

Particulars	As at 31 March 2017	As at 31 March 2016
Addition to fixed assets		
Domestic	**351.73**	2,374.49
Overseas	**-**	-
Total	**351.73**	2,374.49

*Segment assets outside India includes advances given for purchase of capital assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

40 Value of imported and indigenous raw materials, stores and spares consumed during the year and percentage of each to total consumption.

(I) **Raw Materials**

Particulars	For the Year Ended 31st March 2017		For the Year Ended 31st March 2016	
	Amount	**%**	Amount	%
Imported	**18,294.06**	**60.14**	15,900.52	84.68
Indigenous	**12,125.73**	**39.86**	2,877.62	15.32
Total	**30,419.79**	**100.00**	18,778.14	100.00

(II) **Stores and Spares**

Particulars	For the Year Ended 31st March 2017		For the Year Ended 31st March 2016	
	Amount	**%**	Amount	%
Imported	**453.63**	**47.13**	422.89	44.93
Indigenous	**508.98**	**52.87**	518.28	55.07
Total	**962.61**	**100.00**	941.17	100.00

41 CONTINGENT LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
a) Panelty for A.Y.2013-14 under Income Tax Act 1961	**13.81**	-
b) Service tax demand pending settlement *	**218.28**	218.28
c) Claim against company not acknowledged as debts	**93.00**	-
d) Bank Gurantees	**355.00**	300.00
Total	**680.09**	518.28

* During the previous year, the Company has received a demand cum show cause notice from the Office of the Principal Commissioner, Service Tax Commissionerate ('Authority), Noida, whereby the authority has asked the Company to explain why service tax of Rs. 218.28 lakhs including cess should not be demanded and recovered from the Company under the priviso to Section 73(1) of Finance Act 1994.

Based on discussion with advocates and consultants, the company believes that there is fair chance of decisions in its favour hence no provision is considered necessary against the same. The appeale has been heard and concluded, order awaited.

42 COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 2,700.58 (previous year Rs. 4,632.32).

b) For commitments relating to lease arrangements (Refer note 27).

c) For commitments relating to net positive foreign exchange earnings (Refer note 33).

43. Against Company's claim for eligibility of capital subsidy under SIPS scheme of Government the High Court of Delhi ordered dated 3rd July 2015 directing concerned authorities to re calculate the eligibility as per company's claim with in a period of four weeks from the date of the order. Aggrieved with the order, the concerned authorities filed an appeal at the Double Bench of High Court of Delhi. Double Bench of High Court of Delhi upheld the order of the single bench vide order dated 10 April 2017. Pending communication regarding further appeal and approval of the company's claim by the Department of Information Technology, claim of subsidy shall be accounted for on final settlement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

(All amounts in Rupees lakhs, unless otherwise stated)

44 Details of dues to Micro and small enterprises as per MSMED Act, 2006.

Particulars	**As at 31 March 2017**	As at 31 March 2016
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
-Principle	**102.09**	148.56
- Interest	**4.72**	8.88
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act. 2006)		-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	**490.48**	307.24
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act. 2006.	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	**14.20**	9.47
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act. 2006	**14.20**	9.47

The information has been given in respect of such venders to the extent they could be identified as micro and small enterprises as per MSMED Act, 2006 on the basis of information available with the company.

45 The Company has received a communication from Andhra Bank and Indian Bank informing absolute assignment and transfer of all its debts and securities etc to Asset Reconstruction Company (India) Limited (ARCIL). In view of the negotiations with ARCIL for restructuring of debts, the company has decided not to provide interest of Rs. 4,654.32 lakhs for the year ended March, 2017.

46 Previous period figures have been re-grouped/re-classified/re-arranged wherever necessary to make them comparable.

For Arun K. Gupta & Associates
Chartered Accountants
Firm registration number: 000605N

Gireesh Kumar Goenka
Partner
Membership No.: 096655

Place: Greater Noida
Date: 27 May, 2017

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

H.R. Gupta
Managing Director
DIN:00297722

Gautam Singh Kuthari
Director
DIN:00945195

Anand Kumar Agarwal
Chief Financial Officer

Manish Gupta
Company Secretary
Membership No.: A29854

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
			(Rs. In Lakhs)	(Rs. In Lakhs)
	1	Turnover / Total income	44,528.53	44,528.53
	2	Total Expenditure	50,347.05	55,001.37
	3	Net Profit/(Loss)	(5,818.52)	(10,472.84)
	4	Earnings Per Share	(1.62)	(2.92)
	5	Total Assets	112,230.50	112,230.50
	6	Total Liabilities	141,877.79	146,532.11
	7	Net Worth	(29,647.29)	(34,301.61)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.		**Audit Qualification (each audit qualification separately):**		
		a. Details of Audit Qualification: R**efer to Annexure-I**		
		b. Type of Audit Qualification : Qualified Opinion		
		c. Frequency of qualification: **First Time: Refer Point No. 4 of Annexure-I/ Repetitive: Refer Point No. 3 of Annexure-I**		
		d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: **Refer Point No. 2 of Annexure-II**		
		e. For Audit Qualification(s) where the impact is not quantified by the auditor:		
		(i) Management's estimation on the impact of audit qualification: Nil		
		(ii) If management is unable to estimate the impact, reasons for the same: **Refer Point No. 1 of Annexure-II**		
		(iii) Auditors' Comments on (i) or (ii) above: **Refer to Annexure-III**		
III.		**Signatories:**		
		CEO/Managing Director		
		CFO		
		Audit Committee Chairman		
		Statutory Auditor		

Place: Greater Noida
Date: 27th May, 2017

ANNEXURE-I

Details of audit qualifications:

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 exceeds the current assets by Rs. 1,32,838.85 lakhs as on 31st March 2017. The Company's short term borrowings and other current liabilities as at 31st March 2017 include balances payable to various lender banks amounting to Rs. 5,209.26 lakhs and Rs.1,27,627.54 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 31st March 2017 and interest expense (including penal interest, if any) for year ended 31st March 2017 and the consequential impact on the accompanying statement.*

b) *The company's claim of it being eligible for certain capital incentives may be further disputed by the Department of Information Technology before the Honorable Supreme Court and the outcome will be known upon the conclusion of the litigation. Also refer Note 3 to the Financial Statements.*

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 3864.89 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. If the appeal is accepted the NFE as on 31stMarch, 2017 would be negative by Rs 2034.71 lakhs. Also refer note 4 to the Financial Statements.*

On the basis of the overall evaluation of the above factors and considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the 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 sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 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 and uncertainty on the ability of the company to meet its export obligations 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 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 1,202.64 lakhs for the quarter ended 31stMarch 2017 and has also written-back interest of Rs 3,451.68 lakhs provided in the earlier three quarters i.e. 1st April 2016 to 31st December 2016, during the quarter ended March 2017. As a consequence to this, interest of Rs 4,654.32 lakhs for the year ended 31st March 2017 has been under provided Had the Company provided the interest on such assigned loans, there would have been loss of Rs 1,413.48 lakhs instead of profit of Rs 3,240.84 lakhs for the quarter ended 31st March 2017 and the losses, and the current liabilities and Reserves & Surplus (debit balances) for the year ended March 2017 would have been higher by Rs 4,654.32 lakhs.*

ANNEXURE-II

Management Comment:

1. **Management is unable to estimate the impact:**Considering the domestic content requirements and expression of interests issued by certain Public Sector Units, procurement of recent orders and favorable decision of the 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 sale of the Company's loan by two of the lenders to Asset Reconstruction Company (India) Limited management believes that there is no impairment in respect of the carrying value of its fixed assets including capital work in progress as at 31st March 2017 and that it is appropriate to prepare the accounts on a going concern basis.

2. **Management's estimation on the impact of audit qualification:** In view of the negotiations with ARCIL for restructuring of debts, the company has decided not to provide interest of Rs. 1,202.64 lakhs for the quarter ended March, 2017 and has also decided to write-back interest of Rs. 3,451.68 lakhs for the period from 1st April, 2016 to 31st December, 2016, during the current quarter. As a consequence of this the interest amounting to Rs. 4,654.32 lakhs for the year ended 31st March, 2017 has not been provided.

ANNEXURE-III

Auditor's Comments on Management Comments:

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 and uncertainty on the ability of the company to meet its export obligations 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.

FORM NO. MGT-11
FORM OF PROXY
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

INDOSOLAR LIMITED

CIN: L18101DL2005PLC134879
Regd. Office: C-12, Friends Colony (East), New Delhi-110065
Tel.: 011-26841375, Fax: 011-26843949
E. Mail: secretarial@indosolar.co.in, Website: www.indosolar.co.in

Name of the Member (s):	
Registered address:	
Folio No. / Client ID*:	DP ID*:
E. Mail ID:	

I/We being member(s) of _____ shares of the above named Company, hereby appoint:

S. No.	Name	Address	E-mail ID	Signature	
1.					or failing him
2.					
3.					

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company to be held on Thursday, the 28th day of September 2017 at 9:00 am at Mithas Motel & Resort, 92/16, G.T. Karnal Road, Alipur, Delhi – 110 036 or any adjournment thereof in respect of such resolution as are indicated below:

Resolutions	For	Against
Resolution No. 1. To receive, consider, approve and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2017. **(Ordinary Resolution)**		
Resolution No. 2. To appoint a Director in place of Mr. Hulas Rahul Gupta (DIN-00297722), who retires by rotation and being eligible, offers himself for re-appointment. **(Ordinary Resolution)**		
Resolution No. 3.Appointment of M/s. Arun K Gupta & Associates, Chartered Accountants, as Statutory Auditors of the Company. **(Ordinary Resolution)**		
Resolution No. 4. Ratification of remuneration of M/s. Kabra and Associates, Cost Auditors for the Company for the Financial Year 2017-18. **(Ordinary Resolution)**		

Signed this ..... day of 2017

Signature of Shareholder.....

Signature of Proxy holder(s).....

AFFIX REVENUE STAMP OF RS. 1

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. Shareholders may give their assent or dissent against each resolution.

*Applicable for members holding shares in electronic form

ATTENDANCE SLIP

INDOSOLAR LIMITED

CIN: L18101DL2005PLC134879

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

Tel.: 011-26841375, Fax: 011-26843949

E. Mail: secretarial@indosolar.co.in, Website: www.indosolar.co.in

I hereby record my presence at the 12th Annual General Meeting of the Company at Mithas Motel & Resort, 92/16, G.T. Karnal Road, Alipur, Delhi – 110 036 on Thursday, the 28th day of September 2017 at 9.00a.m.

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

Signature: .....

Folio No.: .....

No. of Shares Held: .....

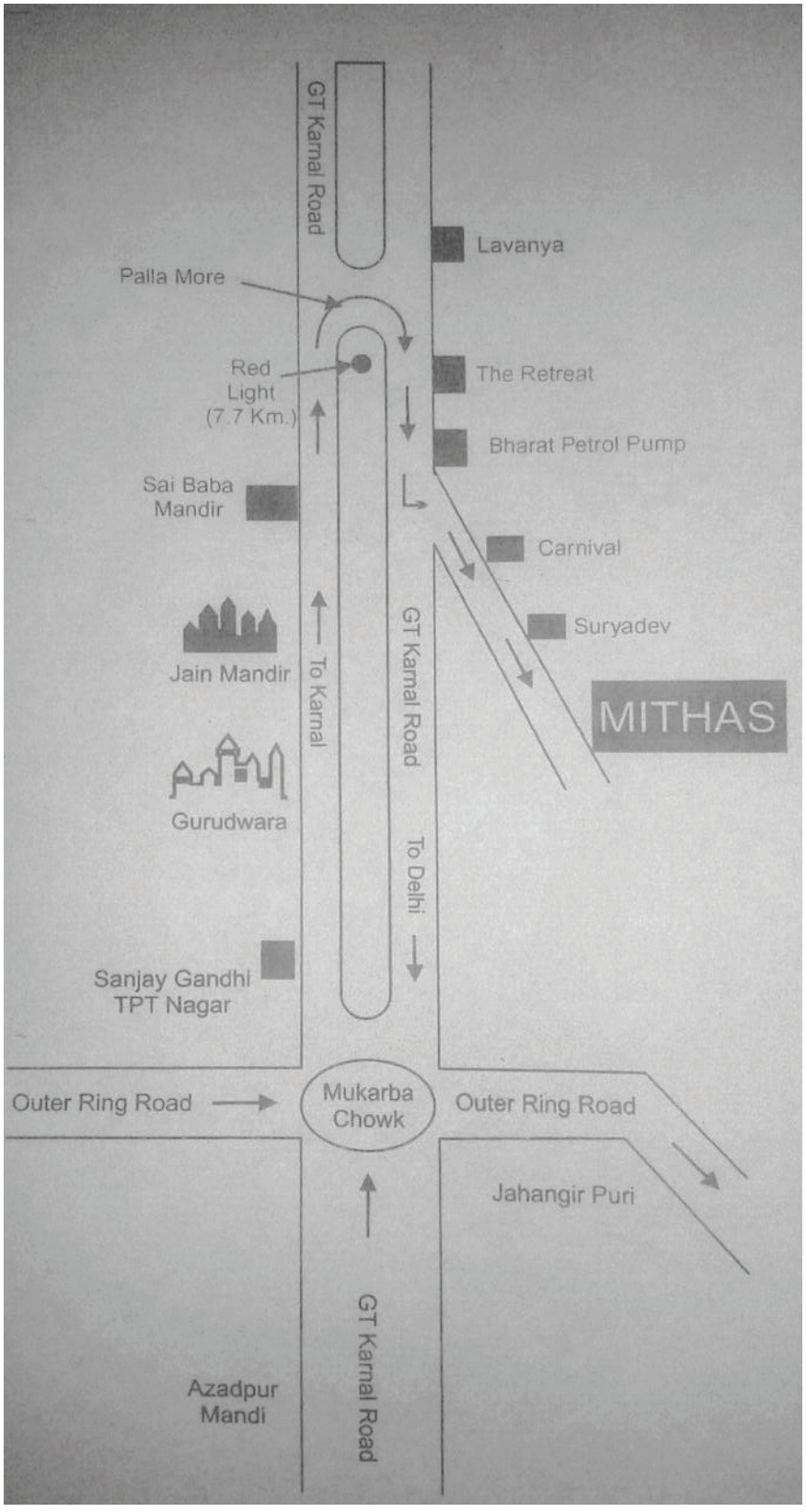
DP ID: .....

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.


GT Karnal Road
Lavanya
Palla More
Red
Light
(7.7 Km.)
The Retreat
Bharat Petrol Pump
Sai Baba
Mandir
Carnival
Suryadev
Jain Mandir
To Karnal
GT Karnal Road
MITHAS
Gurudwara
To Delhi
Sanjay Gandhi
TPT Nagar
Outer Ring Road
Mukarba
Chowk
Outer Ring Road
Jahangir Puri
GT Karnal Road
Azadpur
Mandi