



Veer Energy & Infrastructure Ltd.

“NATURE-AL DIRECTION TO ENERGY”

ISO 9001-2008 Certified Company

ANNUAL REPORT

2010-2011

For further details please log in to www.veerenergy.net or E-mail us at info@veerenergy.net

VEER ENERGY & INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Yogesh M Shah	Chairman & Managing Director
Mr. Prakashchandra C. Shah	Executive Director
Mr. Bhavin S. Shah	Executive Director
Mr. Dhimant J Shah	Independent Director
Dr. Dharendra B Shah	Independent Director
Mr. Joseph J Tauro	Independent Director
Mr. Arvind M Shah	Independent Director
Mr. Prakash A Patel	Independent Director

AUDITORS

NAME	OFFICE
M/S Jayesh R. Shah & Co. Chartered Accountants	B-2, Swagat, Ciba Society, Amrut Nagar, Ghatkopar (W) Mumbai-400086.

REGISTERED OFFICE

1st Floor, Gazdar House,

629 - A, J. Shankar Sheth Marg,

Mumbai - 400002.

VEER ENERGY & INFRASTRUCTURE LIMITED

Regd. Office.: 1st Floor, Gazdar House, 629 – A, J. Shankar Sheth Marg, Mumbai: – 400002.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **M/s. VEER ENERGY & INFRASTRUCTURE LIMITED** will be held on Tuesday the 23rd August, 2011 at the at the Registered Office of the Company at 10.00 a.m. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as at **31st March, 2011**, the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Mr. Dhimant J Shah, who retires by rotation and being eligible, offer him for reappointment.
- 4) To appoint a Director in place of Mr. Dharnendra B. Shah, who retires by rotation and being eligible, offer him for reappointment.
- 5) To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

- 6) To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution.
Resolved that Mr. Arvind M. Shah who was appointed as an Additional Director by the Board of Directors of the company on 28th May, 2011 pursuant to article 86 of the Article of Association of the Company and u/s260 of the Companies Act 1956 and in respect of whom the company has received a notice in writing pursuant to the provision of section 257 of the Companies Act of 1956 be and he is hereby appointed as a Director of the Company liable to retire by rotation.
- 7) To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution.
Resolved that Mr. Prakash A Patel who was appointed as an Additional Director by the Board of Directors of the company on 28th January, 2011 pursuant to article 86 of the Article of Association of the Company and u/s260 of the Companies Act 1956 and in respect of whom the company has received a notice in writing pursuant to the provision of section 257 of the Companies Act of 1956 be and he is hereby appointed as a Director of the Company liable to retire by rotation

Place: Mumbai
Date: 23rd July, 2011

SD/-
Yogesh M. Shah
Chairman & Managing Director

NOTES:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of him and a proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the time for holding the meeting.
- 2) The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd August, 2011 to 23rd August, 2011 (both days inclusive)
- 3) The dividend, as recommended by the Board, if sanctioned at the Annual General Meeting, will be paid to those members or their mandates whose names stand registered on the Company's Register of Members.
- 4) Members/proxies should bring the attendance slip duly filled in for attending the meeting.
- 5) Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made readily available at the Meeting.
- 6) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the Meeting.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 6**

At The Meeting of the Board of Directors of the Company held on 28/05/2010 Mr. Arvind M. Shah was appointed as an Additional Director to the Board of Directors of the Company.

By virtue of the provision of section 260 of the Companies Act, 1956 Article 86 of the Articles Association of the Company, he holds office as an Additional Director up to the date of ensuing Annual General Meeting of the Company.

The Company has received a notice in writing from members of the Company along with required deposit, proposing the candidature of Mr. Arvind M. Shah. of the office of Director under the provisions of section 257 of the Companies Act, 1956. The profile of the Director is given hereunder. Your Directors recommend the resolution as set out in Item No.6 of the notice for your approval. Mr Arvind M Shah. Shah shall be deemed to be interested in the above resolution to the extent of his appointment.

Mr. Arvind M. Shah (51 years) is a tax consultant.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution

ITEM NO.7

At The Meeting of the Board of Directors of the Company held on 28/01/2011 Mr. Prakash A Patel was appointed as an Additional Director to the Board of Directors of the Company.

By virtue of the provision of section 260 of the Companies Act, 1956 Article 86 of the Articles Association of the Company, he holds office as an Additional Director up to the date of ensuing Annual General Meeting of the Company.

The Company has received a notice in writing from our members along with required deposit, proposing the candidature of Mr. Prakash A Patel of the office of Director under the provisions of section 257 of the Companies Act, 1956. The profile of the Director is given here under. Your Directors recommend the resolution as set out in Item No.7 of the notice for your approval. Mr. Prakash A Patel shall be deemed to be interested in the above resolution to the extent of his appointment.

Mr. Prakash A. Pate (27 years) has completed M.Sc. in Industrial Chemistry and doing Master in Polymer technology in Germany. Being a chemical engineer he have a good knowledge of the WTG material and its usage. The material used for manufacturing of blade and also the testing of WTG blade. He has one year experience working in Pharmson chemical Chhatral, Gujarat. He have been visiting Wind farms at various parts of Gujarat and enhancing my knowledge from civil work to erection of the Windmill.

Company may, in its discretion, increase the remuneration payable to the Managing Director, subject to obtaining such approvals as may be required.

**By Order of the Board of Directors
For Veer Energy & Infrastructure Limited**

SD/-
Yogesh M. Shah
Chairman & Managing Director

Place: Mumbai

Date: 23rd July, 2011

DIRECTORS REPORT

To,

The Members

M/s. Veer Energy & Infrastructure Ltd.

Your Directors have pleasure in presenting their 31st Annual Report of the Company for the year ended 31st March, 2011.

FINANCIAL RESULT

PARTICULARS	AS ON 31/03/2011 (AMOUNT. IN "000")	AS ON 31/03/2010 (AMOUNT. IN "000")
Total Income (A)	4,37,987	3,38,450
Net Profit/ (loss) before tax (B)	51,996	55,084
Less: Provision for Taxation Prior Year Adjustment (c)	16,761	21,938
	(204)	
(A+B -C)	35,439	33,146
Add: Profit/(Loss) Brought forward from Last Year	26,119	11
	61,559	33,157
Less: <u>Appropriation</u> <u>Transfer to General Reserve</u>	2,000	3,500
Proposed Dividend & Tax	4,960	3,538
Balance carried to Balance Sheet	54,599	26,119

DIVIDEND

Your Directors are pleased to recommend a dividend @ 6 paise on Equity Share of Rs.1/- each for the year ended 31st March, 2011, subject to approval of Members of the Company at the ensuing Annual General Meeting

OPERATIONS

The main Business of the Company is to create infrastructure development facilities for the installation of Wind Turbine Generator. As a pioneer in this field, Your Company is very well positioned to take advantage of ever increasing demand for the renewable energy resources. Since recession in the international market and in our country is almost over, your Directors have decided to embark upon major expansion by installing 5.1 MW plants for which the Company has already acquired 16 acres of land and started implementation of the project by installing Six WTG of 225 KW at the site and one WTG of 850KW. In view of this development, Your Directors are hopeful to achieve better results in the coming years. Your Directors are also exploring the possibilities of starting operations in the state of Tamilnadu, Maharashtra and Rajasthan. During the current year, the company has commissioned 17MW out of 25MW in Jamnagar district by March 2011. The wind turbines of 850KW were procured from Gamesa Wind turbines Ltd. Also company has added single 850KW machine Gamesa make as its own investment.

CORPORATE GOVERNANCE

Your Company has complied with the mandatory requirements of clause 49 of the listing agreement entered into with the Stock Exchange regarding the Corporate Governance for the Financial Year 2009-10. The compliance report along with Auditors Certificate is provided in the Corporate Governance Report annexed to this report.

PERFORMANCE

The turnover of the Company for the year under review is **Rs. 43.32 crores as against Rs.33.82 crores** in the previous year which in the opinion of the Directors are satisfactory as the power purchase policy by Gujarat State Government. Is favorable and encouraging to the industry, your Directors are hopeful to improve the growth rate in turnover and profitability in current year.

Net Profit before tax for the year under review is **Rs 5.19 crores as against Rs. 5.51 crores** in the previous year. Net Profit after tax and other provisions is higher at **Rs.3.54 Crores as against Rs. 3.31 crores** in the previous year.

FUTURE PROSPECTS

The company has planned to come up with other 180MW project at different location in Gujarat. For this project, company has signed MOU with Vibrant Gujarat for wind power generation.

The new strategy of the company is to establish its presence in the European market for the 2 reasons: -

1. To bring the new technology and investors for wind energy and to expand its business.
2. Also to step forward into new renewable energy sector i.e Solar energy. For which the technology will be imported from Europe.

For this reasons, company has established new wholly owned subsidiary named Veer Enterprise GmbH in Stuttgart, Germany.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public during the year ended on 31st March 2011, in terms of the provisions of Section 58 A of the Companies Act, 1956.

DIRECTORS

The Board has appointed Mr. Arvind M Shah, Mr. Prakash A Patel as the Additional Directors on the Board of the Company. Mr. Ritesh P Choksi & Mr. Ravindra V Joshi cease to hold the office as director.

The Company has received notices for appointment of Mr. Arvind M Shah, Mr. Prakash A Patel for the office of the Director.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company confirm pursuant to Section 217 (2AA) of the Companies Act, 1956 as under:

- 1) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period
- 3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- 4) That the directors have prepared the annual accounts on a going concern basis

AUDITORS & AUDITORS' REPORT

Mr. Jayesh R. Shah & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting, and being eligible, has consented to act as the Statutory Auditors of the Company, if re-appointed. You are requested to appoint the Statutory Auditors for the Financial Year 2011-2012 and fix their remuneration.

Notes on Accounts referred to in the Auditors' Report for the year are self-explanatory and therefore does not call for any further comment thereon.

CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Foreign exchange outgo – 5, 83,547.00

Considering the nature of the activities carried out by the Company, the other particulars specified in Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable for the year. However, constant endeavors are made to check power consumption and optimize the use of energy.

PARTICULARS OF EMPLOYEES

None of the employees, during the year under review or part of it has been drawn salary above limits specified under section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975.

LISTING OF THE COMPANY'S SHARES

The Equity Shares of your Company are listed at The Stock Exchange – Mumbai. The Company has paid annual listing fees for the financial year 2011-12.

DEMATERIALISATION

As the Members are aware, the Company's shares are tradable compulsorily in electronic format, your Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). In view of enormous advantages offered by the Depository system, Members are requested to avail the facility of dematerializations of the Company's Shares on depositories as aforesaid.

ACKNOWLEDGMENTS

Your Directors acknowledges with gratitude and wish to place on records, their sincere appreciation for the support and co-operation received by the Company from the various Government authorities, bankers and Shareholders during the year.

**By Order of the Board of Directors
For Veer Energy & Infrastructure Limited**

SD/-
Yogesh M. Shah
Chairman & Managing Director

Place: Mumbai
Date: 23rd July, 2011

CORPORATE GOVERNANCE (ANNEXURE TO DIRECTORS' REPORT)

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an ongoing process that ensures that the Company displays the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics in its dealings. Good Corporate Governance is a critical doctrine to the global economic system, enabling the business to not only effectively and efficiently achieve its corporate objectives but also develop a structure and methodology to sustain its survival in a globally competitive environment. Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all interactions with its Shareholders, Depositors, and Debenture holders, Employees, Creditors, Debtors and Regulatory Authorities.

BOARD OF DIRECTORS

Veer Energy & Infrastructure Limited's Board comprises of Eight Directors, of which two are designated as Executive Directors and the rest are Non-Executive Directors. As per the requirement of the Clause 49 of the listing agreement half of the members are Independent Directors.

A BRIEF PROFILE OF THE DIRECTORS IS GIVEN BELOW:

Mr. Yogesh M. Shah (52 years) is the managing Director and Chairman of the Company, is a tax and Financial consultant.

Mr. Prakash C. Shah (59 years) is a businessman residing at Ahmadabad having a Textile Trading Business since last 35 years

Mr. Bhavin S. Shah (31 Years) is a M.Com a Microsoft certified professional and vast experience in production and operation management.

Dr. Dharnendra B. Shah (61 years) is a practicing Doctor with experience of 38 years.

Mr. Dhimant J. Shah (47 years) is B.Com and doing his own business in Trading in Paper & Packing Products from last 26 years.

Mr. Joseph J. Tauro (61 years) is a B. Com, CA IIB and retired after 32 years of service in IDBI Bank Ltd as a Dep. General Manager.

Mr. Arvind M. Shah (51 years) is a tax consultant.

Mr. Prakash A. Patel (27 years) has completed M.Sc. in Industrial Chemistry and doing Master in Polymer technology in Germany. Being a chemical engineer he have a good knowledge of the WTG material and its usage. The material used for manufacturing of blade and also the testing of WTG blade. He has one year experience working in Pharmson chemical Chhatral, Gujarat. He have been visiting Wind farms at various parts of Gujarat and enhancing my knowledge from civil work to erection of the Windmill.

BOARD MEETINGS

Sri Yogesh M. Shah, Executive Director of the Company, generally chairs the Board Meeting, during the financial year ended 31st March, 2011. Nine (9) Board Meeting were held i.e. on 30/04/2010, 24/05/2010, 31/07/2010, 16/08/2010, 06/09/2010, 10/09/2010, 04/10/2010, 29/10/2010 and on 28/01/2011. Attendance of each Director at the Board Meetings and the last Annual General Meeting.

DIRECTORS	NO. OF BOARD MEETINGS ATTENDED	WHETHER ATTENDED LAST AGM
Mr. Yogesh M. Shah	7	Yes
Mr. Ritesh P. Choksi Resigned on 29/10/2010	4	Yes
Mr. Bhavin S. Shah	7	Yes
Mr. Prakashchandra C. Shah	3	No
Mr. Arvind M. Shah * Appointed on 28/05/2010	4	No
Dr. Dharnendra B. Shah	7	No
Mr. Dhimant J. Shah	7	Yes
Mr. Ravindra V. Joshi * Resigned on 28/05/2010	1	Yes
Mr. Mr. Joseph J. Tauro	9	Yes

COMMITTEES OF THE BOARD / AUDIT COMMITTEE

The Company has constituted an Audit Committee which is comprised of three Directors majority of them being Independent. The members of the audit committee are Mr. Prakash C. Shah, Dr. Dharnendra B. Shah and Mr. Arvind M. Shah

Terms of reference to the Audit Committee is primarily to Supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, to appoint and fix the remuneration of internal auditors, to review the internal and external audit reports, the adequacy of internal control systems and to review the Company's financial and risk management policies.

Four (4) such Meetings of the committee were held during the period under review. The meetings were held on 30/04/2010, 31/07/2010, 29/10/2010, and 28/01/2011.

Meetings and Attendance of members of the Audit Committee during the Financial Year 2009 – 2010

MEMBER	NO. OF MEETINGS ATTENDED
Mr. Prakash C. Shah	3
Mr. Ravindra V. Joshi * Resigned on 28/05/2010	1
Mr. Dhimant J. Shah	3
Mr. Arvind M. Shah	2

REMUNERATION COMMITTEE

The Company has constituted the remuneration committee. The committees decide and review the Managerial Remuneration. The members of the audit committee are Mr. Prakash C. Shah, Mr. Arvind M. Shah & Mr. Dhimant J. Shah. Mr. Ravindra Joshi has resigned on 28/05/2010

REMUNERATION TO DIRECTORS:

Shri Yogesh M. Shah (Managing Director) and Shri Prakash C. Shah & Shri Bhavin S. Shah are the executive directors on the Board, rest are Non - Executive Independent Directors. Salary Drawn by Shri Yogesh M. Shah for the financial year 2010 - 2011 is Rs. 7,80,000/- and Salary Drawn by Shri Prakash C. Shah for the financial year 2010 - 2011 is Rs. 3,90,000/- and Salary Drawn by Shri Bhavin S. Shah for the financial year 2010-2011 is Rs. 5,46,000/-.

SHAREHOLDER GRIEVANCE COMMITTEE

The Board has constituted a committee comprising of Three Directors Mr. Prakash C. Shah, Dr. Dharnendra B. Shah and Dhimant J. Shah to look in to the grievance of shareholders and investor. Mr. Ravindra Joshi has resigned on

Analysis of Shareholders Correspondence during the year under consideration:

Nature Of Correspondence	Received	Redressed
Change of Address	0	0
Demat Request	0	0
Annual Report	0	0

DETAILS OF THE LAST THREE GENERAL MEETINGS:

MEETING	DATE AND TIME OF A. G. M.	PLACE	SPECIAL RESOLUTION PASSED
28th AGM	11-8-2008 at 10.30 am	Regd. Office	Yes. To fix remuneration to Directors
29th AGM	29-6-2009 at 10.00 am	Regd. Office	Yes. To appoint directors and for raise borrowing limits.
30th AGM	28-5-2010 at 10.00 am	Shri Halali Bhatia Mahajanwadi, 398, Kalbadevi Road, Shrinatji Chowk, Mumbai-400002	Yes. To appoint directors

DISCLOSURE:

The details of the transaction with related parties are given in the Notes to the accounts of Auditors Report. The transaction is in the natural course of the business and is not in conflict with the interest of the Company.

There were no instance of non compliance of any matter relating to the Capital Market and no penalties were imposed on the company by Stock Exchanges or Securities & Exchange Board of India or any other Statutory Authority on any matter relating to capital Markets.

INTERNAL CONTROLS:

Management feels that the internal controls in place are sufficient considering the complexity, size and nature of operation of the Company.

MEANS OF COMMUNICATION

The Board of Directors of the company approves and takes on record the Un-audited/Audited financial results in the prescribed Performa of the Stock Exchange on a quarterly basis. The results are announced to all the Stock Exchanges where the shares of the Company are listed.

GENERAL SHAREHOLDERS INFORMATION
31st ANNUAL GENERAL MEETING

Date & Time	Tuesday, the 23 rd August, 2011 at 10:00 A.M
Venue	1st Floor, Gazdar House, 629 - A, J. Shankar Sheth Marg, Mumbai - 400002
Date of Book Closure	22 nd August 2011 To 23 rd August, 2011. (Both days inclusive)

LISTING ON STOCK EXCHANGE:

THE STOCK EXCHANGE, MUMBAI, (Stock Code: 503657), Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400023.
Ph: 022-2272 1234 Fax: 022-2272 2082

LISTING FEE

The Company has paid Listing Fees to Stock Exchanges where the shares are listed within due date. Your Company is strictly observing all the clauses of the Listing agreement entered into with the Stock Exchanges and there are no investor complaints pending against the Company.

ADDRESS FOR CORRESPONDENCE: The Company has appointed M/s. Sharex (India) Pvt. Ltd. as the Share Transfer Agents of the Company.

M/S. SHAREX DYNAMIC (INDIA) PVT LTD, Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Andheri (East)

Mumbai-400072. Ph. No. 28515606/28515644. Fax 08512885

Shareholders are requested to address their correspondence relating to Share Transfer, Transmission, Demat, Remat, Change of Address, Change of Bank Mandate etc. to the above address only.

DEMATERIALIZATION OF SHARES:

Over 99.999% of the Company's paid-up equity share capital has been Dematerialized upto 31st March, 2011. Trading in Equity Shares of the Company is permitted only in Dematerialization form as per notification issued by the Securities Exchange Board of India (SEBI)

Accordingly the Company has entered into an agreement with the following Depositories, which are providing the services of dematerialization of equity shares.

NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)

4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Tel.: 2499 4200 Fax: 2497 2993

And

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL)

Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, and Mumbai - 400001. Tel. 22723333 Fax: 22722072

Shareholders can approach the Depository Participants of the above Depositories for Dematerialization for their Shares.

DETAILS OF THE DEMATERIALIZATION OF SHARES COMPLETED UPTO 31ST MARCH, 2010

NUMBER OF SHARES DEMATERIALIZSE

NSDL	CDSL	TOTAL
34725763	36406277	71132040

SHAREHOLDING PATTERN :

Share holding pattern of the Company as on 31st March, 2011 is as follows

CATEGORY	PHYSICAL		ELECTRONIC		TOTAL	
	No. of share	%	No. of share	%	No. of share	%
A. Promoters' holding						
- Indian Promoters	410		2,40,80,465	33.854	2,40,80,875	33.854
- NRI Promoters	Nil		99,900	0.140	99,900	0.140
- Bodies Corporate	Nil		1,35,772	.191	1,35,772	0.191
B. Non-Promoters						
Holding						
Institutional	Nil		Nil		Nil	
Investors	Nil		353159031	49.648	353159031	49.648
Banks, FIIs	Nil		1,15,00,000	16.167	1,15,00,000	16.167
GRAND TOTAL	410	0.003	3,58,16,137	99.997	3,58,16,547	100.00