



**Veer Energy & Infrastructure Ltd.**

**“NATURE-AL DIRECTION TO ENERGY”**

ISO 9001-2008 Certified Company

# ANNUAL REPORT

## 2012-2013

For further details please log in to [www.veerenergy.net](http://www.veerenergy.net) or E-mail us at [info@veerenergy.net](mailto: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. Nilay P Shah          | Executive Director           |
| Mr. Dhimant J Shah        | Independent Director         |
| Mr. Joseph J Tauro        | Independent Director         |
| Mr. Chetan H Mehta        | Independent Director         |
| Mr. Mitesh J Kuwadia      | Independent Director         |

## AUDITORS

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

## REGISTERED OFFICE

1st Floor, Gazdar House,  
629 - A, J. Shankar Sheth Marg,  
Mumbai - 400002.

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**VEER ENERGY & INFRASTRUCTURE LIMITED**

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

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of **M/s. VEER ENERGY & INFRASTRUCTURE LIMITED** will be held on Monday the 30<sup>th</sup> September, 2013 at the 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai- 400 093.at 11.00 A.M. to transact the following business :

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as at **31<sup>st</sup> March, 2013**, the Statement of Profit & Loss 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 Shah, who retires by rotation and being eligible, offer him for reappointment.
- 4) To appoint a Director in place of Mr. Prakash C Shah, who retires by rotation and being eligible, offer him for reappointment.
- 5) To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.  
“RESOLVED THAT M/s Jayesh R. Shah & Co. Chartered Accountants (Registration No. 104182W), be and hereby appointed as a auditors of the company, to hold the office from the conclusion of this annual general meeting to the conclusion of the next annual general meeting of the company to audit the accounts for the financial year 2013-2014 on such a remuneration as shall be fixed by the Board of Directors.”

**For Veer Energy & Infrastructure Limited**

**Yogesh M. Shah**  
**Chairman & Managing Director**

**Place: Mumbai**  
**Date: 14<sup>th</sup> August, 2013**

**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 27<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (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.

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

**Yogesh M. Shah  
Chairman & Managing Director**

**Place: Mumbai  
Date: 14<sup>th</sup> August, 2013**

## DIRECTORS REPORT

To,

The Members

M/s. Veer Energy & Infrastructure Ltd.

Your Directors have pleasure in presenting their 33<sup>rd</sup> Annual Report of the Company for the year ended 31st March, 2013.

### FINANCIAL RESULT

| PARTICULARS                                       | AS ON 31/03/2013 (AMOUNT. IN "000") | AS ON 31/03/2012 (AMOUNT. IN "000") |
|---|-------------------------------------|-------------------------------------|
| Total Income (A)                                  | 8,18,765                            | 7,24,155                            |
| Net Profit/ (loss) before tax (B)                 | 72,502                              | 72,086                              |
| Less: Provision for Taxation                      | 14,203                              | 29,856                              |
| Prior year adjustments                            | 878                                 | (4,205)                             |
| (B -C)  | 57,421                              | 46,435                              |
| Add: Profit/(Loss) Brought forward from Last Year | 94,074                              | 54,599                              |
|   | 1,51,494                            | 1,01,034                            |
| Less: <u>Appropriation</u>                        | -                                   | 2,000                               |
| Transfer to General Reserve                       |                                     |                                     |
| Proposed Dividend & Tax                           | 4,960                               | 4,960                               |
| Balance carried to Balance Sheet                  | 1,46,534                            | 94,074                              |

### DIVIDEND

Your Directors are pleased to recommend a dividend @ 6 paise on Equity Share of Re.1/- each for the year ended 31st March, 2013, 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 one of the pioneer in this field, Your Company is very well positioned to take advantage of ever increasing demand for the renewable energy resources. 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 Maharashtra, Gujarat and Rajasthan. During the current year, the company has commissioned 28.90 MW in Rajasthan. Total MW commissioned till date is 59.30 MW out of 79.5MW of total order in Rajasthan by March 2013. The balance shall be commissioned in the year 2013-14

### 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 2012-2013. 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. 81.24 Crores as against Rs.72.19 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 7.25Crores as against Rs. 7.21 Crores in the previous year. Net Profit after tax and other provisions is higher at Rs.5.83 Crores as against Rs. 4.22 Crores in the previous year.

### FUTURE PROSPECTS

India is one of the developing country, and the scope for improvement in India's energy system is vast. Renewable energy currently makes up a negligible share (0.36%) of total primary commercial energy supply while 96.9% of such supplies come from fossil fuels and 2.76% from hydro and nuclear resources. The non-commercial combustible biomass and wastes which contributes to the extent of 24.5% of the total energy supplies are excluded in this balance.

Wind Energy is where India competes globally in manufacturing and deployment in the present scenario. With these the market grew to be third largest in the world riding on the success of strong policy and regulatory framework. In 2011, India surpassed 3,000 MW in annual installations. This marked a 138% growth over a two year horizon; a remarkable achievement in times of global economic depression.

Today, it is well known fact that the people of Gujarat are the happiest when it comes to electricity. Anyone visiting Gujarat appreciates the stark difference in the quality of the electricity supply between Gujarat and rest of the country.

Gujarat's total installed wind power generation capacity stood at 3,010 MW in 2012-13. "Gujarat has the benefit of plenty of land available for wind power generation mainly in the Kutch region. Industry experts said wind velocity in the range of 6-7 meters per second is best suitable for the wind power generation. This is available in Gujarat due to winds blowing from Arabian Sea and in desert area of Kutch.

#### **PUBLIC DEPOSITS**

The Company has not accepted any deposits from public during the year ended on 31st March 2013, in terms of the provisions of Section 58 A of the Companies Act, 1956.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Subsidiaries, the audited Consolidated Financial Statements are provided in the Annual Report.

#### **SUBSIDIARIES**

The Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary company is being attached with the Balance Sheet of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary company Veer Enterprise GmbH.

#### **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 2013-2014 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 – Rs. 13, 97,600/- on account of investment in Subsidiary

Foreign exchange outgo - Rs. 1,92,29,738/- on account of purchase of machineries for engineering division.

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 2013-14.

**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**

**Yogesh M. Shah  
Chairman & Managing Director**

**Place: Mumbai  
Date: 14<sup>th</sup> August, 2013**



## **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 Seven Directors, of which three 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 (54 years) is the managing Director and Chairman of the Company, is a tax and Financial consultant.

Mr. Prakash C. Shah (61 years) is a businessman residing at Ahmadabad having a reach experience of 35 years in the business.

Mr. Dhimant J. Shah (49 years) is B.Com and doing his own business in Trading in Paper & Packing Products from last 27 years.

Mr. Joseph J. Tauro (63 years) is a B. Com, CA IIB and retired after 32 years of service in IDBI Bank Ltd as a Dep. General Manager.

Mr. Nilay P Shah (39 years) is a Mechanical Engineer with a 18 years of experience in the same field.

Mr. Chetan H. Mehta (30 years) is a Practising Chartered Accountant.

Mr. Mitesh J Kuwadia (22 years) is a B Com. And doing its own business.

### **BOARD MEETINGS**

Sri Yogesh M. Shah, Executive Director of the Company, generally chairs the Board Meeting, during the financial year ended 31st March, 2013. Seven (7) Board Meetings were held i.e. on 30/04/2012, 04/06/2012, 16/07/2012, 23/08/2012, 29/10/2012, 14/02/2013 & 14/03/2013.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

| <b>DIRECTORS</b>           | <b>NO. OF<br/>BOARD<br/>MEETINGS<br/>ATTENDED</b> | <b>WHETHER ATTENDED<br/>LAST AGM</b> |
|----------------------------|---|--------------------------------------|
| Mr. Yogesh M. Shah         | 6   | Yes                                  |
| Mr. Bhavin S. Shah         | 4   | No                                   |
| Mr. Prakashchandra C. Shah | 2   | No                                   |
| Mr. Arvind M. Shah         | 6   | No                                   |
| Dr. Dharnendra B. Shah     | 4   | No                                   |
| Mr. Dhimant J. Shah        | 4   | Yes                                  |
| Mr. Prakash A Patel        | 1   | No                                   |
| Mr. Joseph J. Tauro        | 6   | No                                   |

### **COMMITTEES OF THE BOARD / AUDIT COMMITTEE**

The Company has re-constituted an Audit Committee which is comprised of three Directors majority of them being Independent. The members of the audit committee are Mr. Dhimant Shah, Mr. Chetan Mehta & Mr. Mitesh Kuwadia.

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 30/04/2012, 16/07/2012, 29/10/2012 & 14/02/2013. Meetings and Attendance of members of the Audit Committee during the Financial Year 2012 - 2013

| MEMBER              | NO. OF MEETINGS ATTENDED |
|---------------------|--------------------------|
| Mr. Arvind M. Shah  | 4                        |
| Mr. Dhimant J. Shah | 4                        |
| Mr. Bhavin S Shah   | 2                        |

#### **REMUNERATION COMMITTEE**

The Company has re- constituted the remuneration committee. The committees decide and review the Managerial Remuneration. The members of the remuneration committee are Mr. Dhimant Shah, Mr. Chetan Mehta & Mr. Mitesh Kuwadia.

#### **REMUNERATION TO DIRECTORS:**

Shri Yogesh M. Shah (Managing Director) and Shri Prakash C. Shah & Shri Bhavin S. Shah were the executive directors on the Board, rest were Non - Executive Independent Directors. Salary Drawn by Shri Yogesh M. Shah for the financial year 2012 - 2013 is Rs. 1,00,000/- per month and Salary Drawn by Shri Prakash C. Shah for the financial year 2012 - 2013 is Rs. 50,000/- per month and Salary Drawn by Shri Bhavin S. Shah for the financial year 201-2013 is Rs. 50,000/- per month

#### **SHAREHOLDER GRIEVANCE COMMITTEE**

The Board has re-constituted a committee comprising of Three Directors Mr. Dhimant Shah, Mr. Chetan Mehta & Mr. Mitesh Kuwadia.

Analysis of Shareholders Correspondence during the year under consideration:

| Nature Of Correspondence | Received | Redressed |
|--------------------------|----------|-----------|
| Change of Address        | NIL      | NIL       |
| Demat Request            | NIL      | NIL       |
| Annual Report            | NIL      | NIL       |

#### **DETAILS OF THE LAST THREE GENERAL MEETINGS:**

| MEETING  | DATE AND TIME OF A. G. M. | PLACE   | SPECIAL RESOLUTION PASSED    |
|----------|---------------------------|---|------------------------------|
| 30th AGM | 28-5-2010at 10.00 am      | Shri Halali Bhatia Mahajanwadi,398,Kalbadevi Road , Shrinatji Chowk, Mumbai-400002  | Yes. To appoint directors    |
| 31st AGM | 23-08-2011at 10.00 am     | Regd. Office  | Yes. To appoint directors    |
| 32nd AGM | 23-08-2011at 10.00 am     | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093 | Yes. To re-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**

##### **33<sup>rd</sup> ANNUAL GENERAL MEETING**

|                      |   |
|----------------------|---|
| Date & Time          | Monday, 30 <sup>th</sup> September, 2013 at 11:00 A.M   |
| Venue                | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai - 400 093.           |
| Date of Book Closure | 27 <sup>th</sup> September, 2013 To 30 <sup>th</sup> September, 2013<br>(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, 2013. 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, 2013**

##### **NUMBER OF SHARES DEMATERIALIZED**

| NSDL     | CDSL     | TOTAL    |
|----------|----------|----------|
| 36303864 | 34828486 | 71132350 |