



**VEER ENERGY & INFRASTRUCTURE LIMITED**

(Incorporated in the Republic of India under the Companies Act, 1956, as a company with limited liability having Corporate identity number L65990MH1980PLC023334)

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Veer Energy & Infrastructure Limited (the “Company”) is issuing up to 26,50,000 equity shares of face value Re. 10/- each, (the “Equity Shares”) at a price of [\*] per Equity Share, including a premium of Rs. [\*] per Equity Share, aggregating up to Rs. [\*] crores (the “Issue”).

**ISSUE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AND CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED**

**THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO QUALIFIED INSTITUTIONAL BUYERS (“QIB”) AS DEFINED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “ICDR REGULATIONS”) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AND CHAPTER VIII OF THE ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT WILL BE CIRCULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO EQUITY SHARES OFFERED IN THE ISSUE.**

**YOU ARE NOT AUTHORISED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.**

**INVESTMENTS IN EQUITY AND EQUITY-RELATED SECURITIES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST ANY AMOUNT IN THE ISSUE UNLESS THEY ARE PREPARED TO BEAR THE RISK OF LOSING ANY PART OR THE ENTIRE AMOUNT INVESTED BY THEM. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PRELIMINARY PLACEMENT DOCUMENT.**

All of our Company’s outstanding Equity Shares are listed on the BSE Limited (the “BSE”). The closing price of the outstanding Equity Shares on the BSE on June 21, 2017 was Rs. 21.75 per Equity Share. In-principle approvals under Regulation 28(1) of the Listing Regulations (as defined hereinafter) for listing of the Equity Shares have been received from the BSE vide its letter no. DCS/QIP/IP/RB/28(1)/259/2017-18 dated June 22, 2017. Applications will be made to the BSE for obtaining final listing and trading approvals for the Equity Shares offered through the Issue. BSE assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the BSE should not be taken as an indication of the merits of the business of our Company or the Equity Shares.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the BSE. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India (the “SEBI”), the Reserve Bank of India (the “RBI”), the Stock Exchanges or any other regulatory or listing authority and is intended only for use by QIBs. A copy of the Preliminary Placement Document (which will include disclosure prescribed under Form PAS-4) will be filed with the BSE in accordance with the ICDR Regulations. Our Company shall make the requisite filings with the Registrar of Companies, Maharashtra at Mumbai (the “ROC”) and the SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The Issue is meant only for QIBs by way of a private placement and is not an offer to the public or to any other class of investors. This Preliminary Placement Document has been prepared by our Company solely for providing information in connection with the Issue. Invitations, offers and sales of the Equity Shares shall only be made pursuant to this Preliminary Placement Document together with the respective Application Form (defined hereinafter) and the CAN (as defined hereinafter). The distribution of this Preliminary Placement Document or the disclosure of its contents to any person, other than QIBs and persons retained by QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. See “Issue Procedure”.

The information contained in this Preliminary Placement Document is not complete and may be changed. The information on our Company’s website or any website directly or indirectly linked to our Company’s website does not form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, such websites.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” (as defined in Regulation S under the U.S. Securities Act (“Regulation S”)) in accordance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. For further details, see “Selling Restrictions” and “Transfer Restrictions”.**

This Preliminary Placement Document is dated June 22, 2017.

**LEAD MANAGER TO THE PLACEMENT**



**D & A FINANCIAL SERVICES (P) LIMITED**

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## GLOSSARY OF TERMS / ABBREVIATIONS

The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The terms defined in this Preliminary Placement Document shall have the meaning set forth in this section and unless the context otherwise implies, references to any statute or regulations or policies shall include amendments thereto, from time to time.

### Company Related Terms:

Term	Description
“Veer Energy”, “VEIL”, “Company”, “Issuer”	Veer Energy & Infrastructure Limited, a public limited company incorporated under the Companies Act, 1956 and having CIN L65990MH1980PLC023334. It is clarified that references to “us”, “we” or “our” are to our Company, together with its Subsidiaries, on a consolidated basis
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended from time to time
Auditors	The statutory auditors of our Company, namely Jayesh R Shah & Co. Chartered Accountants
“Board” or “Board of Directors”	The board of directors of our Company or any duly constituted committee thereof
Registered & Corporate Office	The registered and corporate office of our Company is located at Gazdar House, 629A, First Floor, J Shankar Sheth Road, Mumbai-400002, Maharashtra, India
Director(s)	The director(s) of our Company
Equity Share(s)	The equity share(s) of our Company having a face value of Rs. 10/- each
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended from time to time
Promoter	The promoters of our Company
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(zb) of the ICDR Regulations
Shareholder(s)	Shareholders of our Company
Subsidiaries	The direct and indirect subsidiaries of our Company

### Subsidiaries

Term	Description
There is no subsidiary	Not Applicable

**Issue Related Terms**

<b>Term</b>	<b>Description</b>
“Allocated” or “Allocation”	The allocation of the Equity Shares following the determination of the Issue Price to QIBs on the basis of the Application Form submitted by them, by our Company in consultation with the Book Running Lead Manager and in compliance with Chapter VIII of the ICDR Regulations
“Allot” or “Allotted” or “Allotment”	Unless the context otherwise requires, the issue and allotment of the Equity Shares to be issued pursuant to the Issue
Allottees	QIBs to whom the Equity Shares are issued and Allotted
“Application Form” or “Bid-Cum Application Form”	The form (including any revisions thereof) pursuant to which a QIB shall submit a Bid for the Equity Shares in the Issue
Application	An offer by a QIB pursuant to the Application Form for subscription of the Equity Shares under the Issue
Bid(s)	Indication of interest of a Bidder, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares in the Issue
Bid/Issue Closing Date	[*], which is the last date up to which the Application Forms shall be accepted
Bid/Issue Opening Date	[*]
Bid/Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days, during which prospective Bidders can submit their Bids
Bidder(s)	Any prospective investor, being a QIB, who makes a Bid by submitting an Application Form in accordance with the provisions of the Preliminary Placement Document
“Book Running Lead Manager” or “BRLM”	D & A Financial Services (P) Limited
“Confirmation of Allocation Note” or “CAN”	The note or advice or intimation sent to QIBs confirming the Allocation to such QIBs after discovery of the Issue Price and requesting payment of the entire applicable Issue Price for the Equity Shares Allocated to such QIBs
Closing Date	The date on which Allotment shall be made, i.e. on or about [*]
Cut-off Price	The minimum price at which the Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager
Designated Date	The date of credit of the Equity Shares to the Allottee’s demat account, as applicable to the respective Allottees
Escrow Account	The bank account opened by our Company with the Escrow Collection Bank pursuant to the Escrow Agreement, into which the application monies received towards subscription of the Equity Shares shall be deposited by the QIBs
Escrow Collection Bank	Axis Bank Limited
Floor Price	The floor price for the Issue, as calculated in accordance with Regulation 85 of the ICDR Regulations is Rs. 22.54 per Equity Share with reference to June 22, 2017, as the Relevant Date. In accordance with the Shareholders’ special resolution dated July 04, 2016 and Regulation 85(1) of the ICDR Regulations, the Board may at its absolute discretion, offer a discount of up to 5.00% to the Floor Price.
Issue	The offer and placement of the Equity Shares to QIBs, pursuant to Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and Chapter VIII of the ICDR Regulations
Issue Price	[*] per Equity Share
Issue Size	The issue of up to 26,50,000 Equity Shares aggregating up to Rs. [*] crores
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is



Term	Description
	available for Allocation to Mutual Funds
Pay-in Date	The last date specified in the CAN sent to the Bidders, by which the Issue Price for the Equity Shares Allocated has to be paid
Placement Document	This placement document dated [*], issued by our Company in accordance with the provisions of Section 42 of Companies Act, 2013, read with Rule 14 of the PAS Rules, and Chapter VIII of the ICDR Regulations.
Preliminary Placement Document	The preliminary placement document dated June 22, 2017.
“QIB” or “Qualified Institutional Buyers”	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the and not excluded pursuant to Regulation 86(1)(b) of the ICDR Regulations
QIP	Qualified institutions placement under Chapter VIII of the ICDR Regulations
Relevant Date	June 22, 2017, being the date of the meeting in which the Board, decided to open the Issue
Stock Exchange or “BSE”	The BSE Limited

#### Conventional and General Terms/Abbreviations

Term	Description
AGM	The annual general meeting of the Shareholders
AIF	Alternative investment funds as defined in the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting standards issued by the Institute of Chartered Accountants of India
AY	Assessment year
BSE	BSE Limited
Calendar Year	Period of 12 months ended December 31 of that particular year
CARO	The Companies (Auditor’s Report) Order, 2015
Category III FPIs	An FPI registered as a category III foreign portfolio investor under the FPI Regulations
Civil Code	The Code of Civil Procedure, 1908
CIN	Corporate identity number
CIT	Commissioner of Income Tax
Companies Act	The Companies Act, 2013 and the Companies Act, 1956, as the context requires
Companies Act, 1956	The Companies Act, 1956, to the extent not repealed
Companies Act, 2013	The Companies Act, 2013, as amended and the rules and clarifications thereunder, to the extent notified
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act, 1996
DIN	Director identification number
EGM	An extraordinary general meeting of the shareholders
Equity Listing Agreement	The erstwhile listing agreement as had previously been entered into by our Company with each of the Stock Exchanges for the listing of the Equity Shares. In accordance with the requirements of Regulation 109 of the Listing Regulations, a listed entity which has previously entered into agreement(s) with recognized stock exchange(s) to list its securities is required to execute the Uniform Listing Agreement with such stock exchange(s) within six months of the date of notification of the Listing Regulations.

<b>Term</b>	<b>Description</b>
Eligible FPI	FPIs that are eligible to participate in the Issue and does not include Category III FPIs who are not allowed to participate in the Issue.
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 and the rules, regulations, notifications and circulars issued thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign institutional investors as defined under the FPI Regulations
FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
“Financial Year” or “Fiscal”	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FPI(s)	Foreign portfolio investors as defined under the FPI Regulations and Includes a person who has been registered under the FPI Regulations.  Any FII who holds a valid certificate of registration is deemed to be an FPI till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Form PAS-4	The Form PAS-4 prescribed under the PAS Rules
FVCI	A foreign venture capital investor as defined and registered with the SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with the SEBI under the applicable laws in India
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
“Government” or “GoI”	The Government of India, unless otherwise specified
ICAI	Institute of Chartered Accountants of India
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
IND AS	Indian Accounting Standards (IND AS) 101 “First-time Adoption of Indian Accounting Standards” as notified by the Ministry of Corporate Affairs, Government, on February 25, 2011
India	The Republic of India
Indian GAAP	The generally accepted accounting principles followed in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ISIN	International Securities Identification Number
IT	Information technology
IT Act	The Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by the SEBI, on September 02, 2015.
MCA	Ministry of Corporate Affairs
MVAT	The Maharashtra Value Added Tax Act, 2002
NRI	Non-resident Indian, being an individual resident outside India who is a citizen of India or is an ‘overseas citizen of India’ cardholder, within the meaning of Section 7(A) of the Citizenship Act, 1955
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014

Term	Description
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	The Registrar of Companies, Mumbai
Re./ Rs./ Rupee(s)	The legal currency of India
RTGS	Real-Time Gross Settlement
R&D	Research and development
SC	Supreme Court of India
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
STT	Securities transaction tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Uniform Listing Agreement	<p>The uniform listing agreement as notified by the SEBI, on January 12, 2016.</p> <p>Our Company has entered into the uniform listing agreement for continuing the listing of its Equity Shares with BSE pursuant to requirements of Regulation 109 of the Listing Regulations.</p>
Unpublished Price Sensitive Information	Unpublished price sensitive information as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
“USA” or “US”	United States of America
US\$/U.S. dollar	United States Dollars
VCF	A Venture Capital Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996

## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and having made all reasonable enquiries, confirms, to the best of its knowledge and belief, that this Preliminary Placement Document contains all information with respect to our Company, its Subsidiaries and the Equity Shares, which is material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, its Subsidiaries and the Equity Shares are, in all material respects, true and accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, its Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to our Company and are based on reasonable assumptions. There are no other facts in relation to our Company, its Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by our Company to ascertain such facts and to verify the accuracy of all such information and statements.

Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on the Book Running Lead Manager nor on any of its shareholders, employees, counsels, officers, directors, representatives, agents or affiliates in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of our Company, its Subsidiaries and the merits and risks involved in investing in the Equity Shares. Any prospective investor should not construe anything in this Placement Document as legal, business, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or the Book Running Lead Manager. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue (in consultation with the Book Running Lead Manager or its representatives) and those retained by QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in “offshore transactions” (as defined in Regulation S) in accordance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares are transferable only in accordance with the restrictions described in the sections titled “*Selling Restrictions*” and “*Transfer Restrictions*”. Purchasers of the Equity Shares will be deemed to make the representations set forth in the sections titled “*Representations by Investors*” and “*Transfer Restrictions*”.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares in certain jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the Book Running Lead Manager which would permit an Issue of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction. See the sections titled “*Selling Restrictions*” and “*Transfer Restrictions*”.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to investment, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Manager is making any representation to any

offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations. Each purchaser of the Equity Shares is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Chapter VIII of the ICDR Regulations and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. Each purchaser of the Equity Shares also acknowledges that it has been afforded an opportunity to request from our Company and review information pertaining to our Company and the Equity Shares.

**Each subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including Section 42 of the Companies Act 2013, read with Rule 14 of the PAS Rules, and Chapter VIII of the ICDR Regulations and that they are not prohibited by the SEBI or any other statutory authority from buying, selling or dealing in securities including the Equity Shares.** The information on our Company's website or any website directly or indirectly linked to our Company's website i.e. [www.veerenergy.net](http://www.veerenergy.net) or the website of the Book Running Lead Manager or its affiliates, does not constitute or form part of this Placement Document. Prospective investors should not rely on the information contained in, or available through such websites. This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

## REPRESENTATIONS BY INVESTORS

By Bidding for and/or subscribing to any Equity Shares offered in the Issue, you are deemed to have represented, warranted, acknowledged and agreed with/to the Company and the Book Running Lead Manager as follows:

1. you are an eligible QIB, as defined in Regulation 2(1)(zd) of the ICDR Regulations and not excluded pursuant to Regulation 86 of the ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allocated to you in accordance with Chapter VIII of the ICDR Regulations;
2. you undertake to comply with the ICDR Regulations, the Companies Act and all other applicable laws, including any reporting requirements prescribed under such laws;
3. if you are not a resident of India, you are an eligible QIB, and (i) you are an FPI including an FII (including a sub-account other than a sub-account which is a foreign corporate or a foreign individual) and (ii) have a valid and existing registration with SEBI under the applicable laws in India and (iii) or a multilateral or bilateral development financial institution or an FVCI. You are investing in this Issue under the portfolio investment scheme and will make all necessary filings with the appropriate regulatory authorities, as required, pursuant to applicable laws;
4. you are eligible to invest in India under applicable laws, including the FEMA Regulations, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by the SEBI or any other regulatory authority, from buying, selling or dealing in securities;
5. you will make all necessary filings with appropriate regulatory authorities, including the RBI, as maybe required under applicable laws;
6. you confirm that if you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on a recognized stock exchange;
7. you are aware that the Equity Shares have not been and will not be offered and/or sold through a prospectus under the Companies Act, the ICDR Regulations or under any other law in force in India. Further, you are aware that this Preliminary Placement Document has not been verified or affirmed by the RBI, the SEBI, the RoC, the Stock Exchange or any other regulatory or statutory authority and is intended only for use by QIBs;
8. you are aware that this Preliminary Placement Document has been filed with the Stock Exchange for record purposes only and has been displayed on the websites of our Company and the Stock Exchange. Further, you are aware that the Company is required to make the requisite filings in relation to the Issue with the RoC and the SEBI within the time periods prescribed under the Companies Act and the PAS Rules;
9. you have fully observed such laws and obtained all such governmental and other consents which may be required thereunder and complied with all necessary requirements;
10. you are aware that additional requirements are applicable to you if are any jurisdiction other than India. For details, see the section titled "*Selling Restrictions*" and "*Transfer Restrictions*". You are able to purchase the Equity Shares in compliance with the legal requirements described in the section titled "*Selling Restrictions*".
11. you are entitled to acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have all necessary capacity and have obtained all necessary consents and authorities to enable you to commit to this participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorities to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
12. you confirm that, either: (i) you have not participated in or attended any investor meetings

or presentations by our Company or its agents (“**Company’s Presentations**”) with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company’s Presentations: (a) you understand and acknowledge that the Book Running Lead Manager may not have knowledge of any information, answers, materials, documents and statements that our Company or its agents may have made at such Company’s Presentations and are therefore unable to determine whether the information provided to you at such Company’s Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Manager has advised you not to rely in any way on any information that was provided to you at such Company’s Presentations, and (b) confirm that you have not been provided any material information that was not publicly available;

13. neither our Company nor the Book Running Lead Manager nor any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates is making any recommendations to you or advising you regarding the suitability of an investment in the Equity Shares offered in the Issue and that participation in the Issue is on the basis that you are not and will not, up to the Allotment, be a client of the Book Running Lead Manager and that the Book Running Lead Manager or any of its shareholders, employees, counsels, officers, directors, representatives, agents or affiliates have no duties or responsibilities to you for providing the protection afforded to their clients or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity to you;
14. you are aware that our Company is required to disclose details such as your name, address and the number of Equity Shares Allotted to you to the RoC and the SEBI in accordance with applicable laws, and you consent to such disclosures. Further, if you are one of the top ten shareholders of our Company, our Company will be required to make a filing with the RoC within 15 days of the Allotment as per Section 93 of the Companies Act, 2013;
15. you are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchange, and they will make the same available on their websites and you consent to such disclosures;
16. you understand that all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our Company’s financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company’s business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company’s present and future business strategies and environment in which our Company will operate in the future. Thus, you understand that you should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. You understand and acknowledge that the Company and the Book Running Lead Manager assume no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
17. you have been provided a serially numbered copy of this Preliminary Placement Document and have read this Preliminary Placement Document in its entirety, including, in particular, the sections titled “*Risk Factors*” and “*Forward-Looking Statements*”;
18. you are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public and the Allotment of the same shall be on a discretionary basis;
19. that in making your investment decision, (i) you have relied on your own examination of our Company, its Subsidiaries and the terms of the Issue, including the merits and risks involved, (ii) you have consulted your own independent advisors or otherwise have satisfied yourself concerning without limitation, the effects of local laws and taxation matters, (iii) you have relied solely on the information contained in this Preliminary Placement Document, which has been independently prepared and provided solely by our Company, and no other disclosure or representation by our Company or any other party; (iv) you have received all information that you believe is necessary or appropriate in order to make an investment decision in respect of the Equity Shares; (v) you have made your own assessment of us, the Equity Shares and the terms of the Issue; and (vi) you have relied upon your own investigation and resources in deciding to invest in this Issue;



20. you are a sophisticated investor and have such knowledge and experience in financial investment and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company and/or the Book Running Lead Manager or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares; (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You seek to purchase the Equity Shares in the Issue for your investment purposes and not with a view for resale or distribution;
21. you understand that our Company or the Book Running Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of subscription, ownership or disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the Book Running Lead Manager or any of its shareholders, employees, counsels, officers, directors, representatives, agents or affiliates or our Company when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Issue). You waive and agree not to assert any claim against the Book Running Lead Manager or any of their shareholders, employees, counsels, officers, directors, representatives, agents or affiliates or our Company with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
22. that where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts;
23. you are not a ‘promoter’ (as defined under the ICDR Regulations) of the Company or a person related to any ‘promoter’, either directly or indirectly, and your Application does not directly or indirectly represent the Promoter(s) or Promoter Group or group companies of the Promoter(s) of our Company;
24. you have no rights under any shareholders’ agreement or voting agreement with the ‘promoter’ (as defined under the ICDR Regulations) or a person related to any ‘promoter’, nor any veto right or right to appoint any nominee director on the Board of Directors other than the rights you may have acquired in the capacity of a lender, and where such acquisition has not and will not result in you being deemed to be a ‘promoter’, a person related to the Promoter(s) or Promoter Group or group companies of the Promoter(s) of our Company;
25. you are aware, understand and agree that you have no right to withdraw your Application after the Bid/Issue Closing Date;
26. you are eligible, including without limitation under applicable law, to apply for and hold the Equity Shares so Allotted and together with any securities of our Company held by you prior to the Issue. You further confirm that your aggregate holding in our Company upon the issue and Allotment shall not exceed the level permissible as per any applicable laws;
27. that the Application Form submitted by you would not at any stage result, directly or indirectly, in triggering any requirement to make a public announcement to acquire Equity Shares in accordance with the Takeover Regulations;
28. to the best of your knowledge and belief, your aggregate holding together with other Allottees belonging to the same group or are under common control as you, pursuant to the Allotment shall not exceed 50% of the Issue Size. For the purposes of this representation:
  - the expression ‘belonging to the same group’ shall have the same meaning as derived from sub- section (11) of Section 372 of the Companies Act, 1956; and

- 'control' shall have the same meaning as is assigned to it by clause 1(e) of Regulation 2 of the Takeover Regulations.
29. you understand that the Equity Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares;
  30. you are aware that (i) applications for in-principle approval, in terms of Regulation 28(1) of the Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchange, were made and such approval has been received from the Stock Exchange, and (ii) the application for the final listing and trading approval will be made only after Allotment. Our Company shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;
  31. you shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approval for the Equity Shares are issued by the Stock Exchange;
  32. you are aware and understand that the Book Running Lead Manager has entered into the Placement Agreement with our Company whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable endeavors to seek to procure subscription for the Equity Shares on the terms and conditions set forth therein;
  33. you understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Manager nor any person acting on its behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Manager or our Company or any other person and neither the Book Running Lead Manager nor our Company nor any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;
  34. you understand that the Book Running Lead Manager does not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by us of any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;
  35. any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of the Republic of India and the courts at Bengaluru, India, India shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Issue;
  36. that each of the representations, warranties, acknowledgements and agreements set forth above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
  37. you agree to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, undertakings, and agreements in this section. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by or on behalf of the managed accounts;

38. you understand that our Company, the Book Running Lead Manager, its respective affiliates and others will rely on the truth and accuracy of the foregoing representations, agreements, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Manager on its own behalf and on behalf of our Company and are irrevocable and it is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Book Running Lead Manager; and
39. you have made, or been deemed to have made, as applicable, the representations set forth in this section, namely “*Representations By Investors*”.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations, FPIs (other than Category III FPIs, as defined in the FPI Regulations, and unregulated broad based funds, which are classified as Category II FPIs (as defined in the FPI Regulations) by virtue of their investment manager being appropriately regulated unless such FPIs have entered into an offshore derivative instrument with an FII prior to January 7, 2014 or were registered as clients of an FII prior to January

7, 2014), including the affiliates of the Book Running Lead Manager, may issue or otherwise deal in offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities, listed or proposed to be listed on any recognized stock exchange in India, such as the Equity Shares (all such offshore derivative instruments are referred to herein as “**P-Notes**”), for which they may receive compensation from the purchasers of such instruments. P-Notes may be issued only in favor of those entities which are regulated by any appropriate foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with “know your client” requirements. An FPI shall also ensure that further issue or transfer of any P-Note issued by or on behalf of it, is made only to persons who are regulated by appropriate foreign regulatory authorities. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

In terms of the FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to be 10% or above of the total issued capital of a company. As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments. Two or more subscribers of offshore derivative instruments having a common beneficial owner shall be considered together as a single subscriber of the offshore derivative instruments. In the event an investor has investments as a FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to the P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Manager does not make any recommendation as to any investment in P-Notes and does not accept any responsibility whatsoever in connection with the P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Manager and do not constitute any obligations of or claims on the Book Running Lead Manager. FII or FPI affiliates of the Book Running Lead Manager may purchase, the Equity Shares to the extent permissible under law and may issue P-Notes in respect thereof.

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuers of such P-Notes and the terms and conditions of any such P-Notes. Neither the SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

**DISCLAIMER CLAUSE OF THE STOCK EXCHANGE**

As required, a copy of this Preliminary Placement Document has been submitted to the BSE. The BSE do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Preliminary Placement Document; or
2. warrant that the Equity Shares will be listed or will continue to be listed on the BSE; or
3. take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

**DISCLOSURE REQUIREMENTS UNDER THE COMPANIES ACT, 2013**

The table below sets out the disclosure requirements as provided in Form PAS-4 under the PAS Rules and the relevant pages in this Preliminary Placement Document where these disclosures, to the extent applicable, have been provided.

#	Disclosure Requirement	Relevant Page of This Document
<b>1.GENERAL INFORMATION</b>		
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	Cover Page
b.	Date of incorporation of the company;	41
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	43-47
d.	Brief particulars of the management of the company;	42
e.	Names, addresses, DIN and occupations of the directors;	165-166
f.	Management's perception of risk factors;	23-31
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –	
(i)	statutory dues;	180
(ii)	debentures and interest thereon;	180
(iii)	deposits and interest thereon;	180
(iv)	loan from any bank or financial institution and interest thereon.	180
h.	Names, designation, address and phone number, email ID of the nodal / compliance officer of the company, if any, for the private placement offer process;	194
<b>2.PARTICULARS OF THE OFFER</b>		
a.	Date of passing of board resolution;	27 <sup>th</sup> May 2016
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	04 <sup>th</sup> July 2016
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security;	Equity
d.	Price at which the security is being offered including the premium, if any, along with justification of the price;	Cover Page
e.	Name and address of the valuer who performed valuation of the security offered;	<i>Not Applicable</i>
f.	Amount which the company intends to raise by way of securities;	
g.	Terms of raising of securities:	
(i)	Duration, if applicable;	<i>Not Applicable</i>
(ii)	Rate of dividend; or	<i>Not Applicable</i>
(iii)	Rate of interest;	<i>Not Applicable</i>
(iv)	Mode of payment; and	<i>Not Applicable</i>
(v)	Repayment;	<i>Not Applicable</i>
h.	Proposed time schedule for which the offer letter is valid;	60 Days
i.	Purposes and objects of the offer;	41
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	<i>Not Applicable</i>
k.	Principle terms of assets charged as security, if applicable;	<i>Not Applicable</i>
<b>3.DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.</b>		
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	<i>Not Applicable</i>
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	180
iii.	Remuneration of directors (during the current year and last three financial years).	78-164
iv.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	106 & 125
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	<i>Not Applicable</i>

#	Disclosure Requirement	Relevant Page of This Document
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section- wise details thereof for the company and all of its subsidiaries.	180
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	180
<b>4. FINANCIAL POSITION OF THE COMPANY</b>		
a.	the capital structure of the company in the following manner in a tabular form-	48
(i)(a)	the authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	48
(b)	size of the present offer;	48
(c)	paid up capital: (A) after the offer; (B) after conversion of convertible instruments (if applicable).	48
(d)	Share premium account (before and after the offer).	48
(ii)	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	49
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	49
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	71-73
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	56
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	71-73
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	73
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	74-164
<b>5.A DECLARATION BY THE DIRECTORS THAT</b>		
a.	the company has complied with the provisions of the Act and the rules made thereunder.	196
b.	the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	196
c.	the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	196

## PRESENTATION OF FINANCIAL, INDUSTRY, MARKET AND OTHER DATA

### CERTAIN CONVENTIONS

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to “you”, “your”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investors”, “prospective investors” and “potential investor” are to the prospective investors of Equity Shares in the Issue and references to the “Issuer”, “our Company” or “Veer energy”, are to the Veer Energy & Infrastructure Limited, and references to “we”, “us”, or “our”, or similar terms are to Veer Energy & Infrastructure Limited and its Subsidiaries unless the context otherwise requires.

References in this Preliminary Placement Document to “India” are to the Republic of India and its territories and possessions and the “Government” or the “central government” or the “state government” is to the Government of India, central or state, as applicable. References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

### FINANCIAL AND OTHER INFORMATION

The audited consolidated financial statements of the Company for the Fiscals 2017 (**Audited Standalone Financial Statements**), 2016 and 2015 (collectively, the “**Audited Consolidated Financial Statements**”), have been included in this Preliminary Placement Document. See “*Financial Statements*”.

Our Company has prepared its Financial Statements in Rupees in accordance with Indian GAAP, the Companies Act and the guidelines issued by the RBI, as applicable and have been audited or reviewed, as applicable, by the Auditors in accordance with the applicable generally accepted auditing standards in India prescribed by the ICAI. The Financial Statements prepared in accordance with Indian GAAP differ in certain important aspects from U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our Financial Statements to those of U.S. GAAP. Accordingly, the degree to which the Financial Statements prepared in accordance with Indian GAAP included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian GAAP. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. In this Preliminary Placement Document, references to “US\$” and “U.S. dollars” are to the legal currency of the United States and references to, “Rs.” and “Rupees” are to the legal currency of India.

The financial information relating to our Company herein have been converted from crores, lakhs or thousands, as the case may be, into millions and shown to the nearest two decimal places. References to “lakhs” and “crores” in this Preliminary Placement Document are to the following:

- one lakh represents 100,000 (one hundred thousand); and
- one crore represents 10,000,000 (ten million).

In this Preliminary Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year. Unless otherwise stated, references in this Preliminary Placement Document to a particular year are to the calendar year ended on December 31, and to a particular “fiscal year” or “financial year” are to the 12 months ended on March 31.



## INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to the businesses of our Company contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data reports compiled by professional organizations and analysts, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites. This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor the Book Running Lead Manager has independently verified this data and do not make any representation regarding accuracy or completeness of such data. Our Company takes responsibility for accurately reproducing such information but accept no further responsibility in respect of such information and data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analyses and estimates, so our Company has relied on internally developed estimates.

The information and publications used to prepare the Industry section in this Preliminary Placement Document is based on information as of a specific date and may no longer be current or reflect current trends. Finally, the sources and publications used to prepare this information may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on, any such information included in this Preliminary Placement Document.

**The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.**

## EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currency will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currency of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the U.S. dollar (in Rupees per U.S. dollar), for the periods indicated.

(Rs. per US\$)

Period	Period End	Average*	High*	Low*
<b><i>Fiscal</i></b>				
2017	64.84	67.09	68.72	64.84
2016	66.33	65.46	68.78	62.16
2015	62.59	61.15	63.75	58.43
<b><i>Month Ended</i></b>				
May 31, 2017	64.55	64.42	64.99	64.02
April 30, 2017	64.22	64.51	65.04	64.00
March 31, 2017	64.84	65.88	66.85	64.84
February 28, 2017	66.74	67.08	67.65	66.72
January 31, 2017	67.81	68.08	68.23	67.79
December 31, 2016	67.95	67.90	68.37	67.43

Source: [www.rbi.org.in](http://www.rbi.org.in)

\*Note: High, low and average are based on the RBI reference rates

The exchange rate on June 21, 2017 was Rs. 64.60 per US\$ 1.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the Euro (in Rupees per Euro 1), for the periods indicated.

(Rs. per Euro 1)

Period	Period End	Average*	High*	Low*
<b>Fiscal</b>				
2017	69.25	73.61	76.61	69.25
2016	75.10	72.31	77.36	66.16
2015	67.51	77.47	84.52	65.95
<b>Month Ended</b>				
May 31, 2017	72.14	71.23	72.75	69.89
April 30, 2017	69.88	69.17	70.04	68.25
March 31, 2017	69.25	70.34	70.73	69.25
February 28, 2017	70.72	71.46	72.92	70.51
January 31, 2017	72.55	72.33	73.23	70.99
December 31, 2016	71.62	71.60	73.11	70.47

Source: [www.rbi.org.in](http://www.rbi.org.in)

\*Note: High, low and average are based on the RBI reference rates

The exchange rate on June 21, 2017 was Rs. 74.94 per Euro 1.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'Forward-looking statements'. Investors can generally identify forward-looking statements by terminology such

as 'aim', 'anticipate', 'are likely', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will achieve', 'will continue', 'will likely result', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- dependence on a limited number of clients, and a loss of or significant decrease in business from them;
- fluctuation in the prices of raw materials;
- slowdown in end-user industries;
- failure in implementing our strategies;
- difficulty in integrating and managing strategic investments and alliances, acquisitions and mergers in the future;
- inability to accurately forecast demand for our products and plan production schedules in advance;
- volatility in the cost and availability of raw materials;
- interruptions at our manufacturing facilities;
- general, political, social and economic conditions in India and elsewhere;
- inability to attract or retain senior management and key managerial personnel;
- exchange rate fluctuation;
- changing laws, rules, regulations, Government policies and legal uncertainties; and
- slowdown in economic growth in India or the other countries in which we operate.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled “*Risk Factors*”, “*Industry Overview*”, “*Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact or net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability public company incorporated under the laws of India. The majority of our Company's Directors and key managerial personnel are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties in courts outside of India.

Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Code on a statutory basis. Section 13 of the Civil Code provides that foreign judgments shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- (a) the judgement has not been pronounced by a court of competent jurisdiction;
- (b) the judgement has not been given on the merits of the case;
- (c) it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable;
- (d) the proceedings in which the judgment was obtained are opposed to natural justice;
- (e) the judgement has been obtained by fraud; and
- (f) the judgement sustains a claim founded on a breach of any law in force in India.

Under the Civil Code, a court in India shall presume, upon the production of any document purporting to be a certified copy of a foreign judgment, that such judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and does not include arbitration awards.

The United Kingdom, Singapore and Hong Kong, amongst others have been declared by the Government to be a "reciprocating territory" for the purposes of Section 44A of the Civil Code, but the United States of America has not been so declared. A judgment of a court of a country which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. A judgment of a superior court of a country which is a reciprocating territory may be enforced by proceedings in execution, and a judgment not of a superior court, by a fresh suit resulting in a judgment or order. The latter suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, and is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. Our Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## RISK FACTORS

*This offering and an investment in Equity Shares involve a high degree of risk. This section describes the risks that we currently believe may materially affect our business and operations. You should carefully consider the following, in addition to any forward-looking statements and the cautionary statements in this Preliminary Placement Document and the other information contained in this Preliminary Placement Document, before making any investment decision relating to the Equity Shares. Prospective investors should read this section in conjunction with the sections 'Business', 'Industry Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' as well as other financial and statistical information contained in this Preliminary Placement Document. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Preliminary Placement Document before making any investment decision relating to our Equity Shares. The occurrence of any of the following events, or the occurrence of other risks that are not currently known or are now deemed immaterial, could cause our business, results of operations, cash flows, financial condition and prospects to suffer and could cause the market price of our Equity Shares to decline or fall significantly and you may lose all or part of your investment.*

*The risks described below are not the only ones relevant to us or the Equity Shares. Additional risks that may be unknown to us and some risks that we do not currently believe to be material could subsequently turn out to be material. Although we seek to mitigate or minimize these risks, one or more of a combination of these risks could materially and adversely impact our business, financial condition and results of operations. Investors should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory regime which in some respects may be different from that applicable in other countries. Investors should consult tax, financial and legal advisors about the particular consequences of an investment in the Issue.*

*Unless otherwise indicated, all financial information included in this section has been derived from our Audited Consolidated Financial Statements for the Fiscals 2015, 2016 and Audited Standalone Financial Statements for the Fiscals 2017, included elsewhere in this Preliminary Placement Document.*

## INTERNAL RISK FACTORS

***Our indebtedness and the conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations***

Our indebtedness and the restrictive covenants imposed upon us with certain debt facilities could restrict our ability to conduct our business and grow our operations, which would adversely affect our financial condition and results of operations. We may in the future incur additional indebtedness in connection with our operations.

Our indebtedness could have several important consequences on our future financial results and business prospects, including but not limited to the following:

- a substantial portion of our cash flow will be used towards servicing and repayment of our existing debt, which will reduce the availability of cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited;
- fluctuations in market interest rates will affect the cost of our borrowings;
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions;
- we may have difficulty satisfying payment and other obligations under our existing financing arrangements and an inability to comply with these requirements could result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; and
- we may be restricted from making dividend payments to our shareholders under certain circumstances.

There are certain restrictive covenants in the arrangement we have entered into with our lenders. Under the terms of certain of our Company's debt agreements, we are required to send an intimation to our lenders for creating, assuming or incurring any additional long-term indebtedness. There can be no assurance that we have, or will, at all times, complied with all of the terms of the said financing documents. Any failure to service our Company's indebtedness and/or to comply with all of the terms of the said financing documents could have an adverse effect on our results of operations and/or profitability.

***Our Company is dependent on the continued efforts of our senior management team and the loss of key members or failure to attract skilled personnel may adversely affect our business.***

Our future success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of key persons in the organization could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations, financial condition and cash flows. We do not maintain 'key man' life insurance for our promoter, senior members of our management team or other key personnel.

The success of our business will also depend on our ability to identify, attract, hire, train, retain and motivate skilled personnel. Demand for qualified professional personnel is high and these personnel are in limited supply. Our professionals are highly sought after by our competitors as well as other Indian companies, particularly as India's economy continues to grow and mature. If we fail to hire and retain sufficient numbers of qualified personnel for functions such as manufacturing, technical, finance, marketing, sales, operations and research and development, our business operating results and financial condition could be adversely affected.

***We have entered into certain transactions with related parties in the past and may continue to do so in the future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

Our Company has entered into transactions with several related parties, including our Promoters, Directors and Subsidiaries, which were conducted in compliance with applicable laws and on arm's length basis. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions that the Company has entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest.

***Our top five customers contribute approximately 78.25% of our revenues for the financial year ended March 31, 2017. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top five clients contribute approximately 78.25% of our revenues for the financial year ended March 31, 2017. Any decline in our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

***Our Company has a negative cash flow in some of the previous years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in some of the previous year(s) as per the Audited Financial Statements and the same are summarized as under:

(In Rs. Lakhs)

Particulars	As on March 31, 2017 (Standalone)	As on March 31, 2016 (Consolidated)	As on March 31, 2015 (Consolidated)
Cash Flow from/ (used in ) Operating Activities	(318.32)	608.22	(3834.66)
Cash Flow from/ (used in ) Investing Activities	323.35	(5802.74)	3884.12
Cash Flow from/ (used in ) Financing Activities	47.94	51.37	51.21



***There are outstanding legal proceedings against us, which if determined adversely, could affect our business, results of operations and financial condition.***

There are certain outstanding legal proceedings initiated against us. These proceedings are pending at different levels of adjudication, before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable as on the date of this Preliminary Placement Document and includes the amounts claimed jointly and severally from us and other parties. Should there be any new developments, such as any change in applicable laws or, any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. There can be no assurance that these proceedings will be determined against our favor or that penal or other action will not be taken against us. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations and financial condition. For further information, along with the disclosures including, inter alia, the amount involved, period for which such demands or claims are outstanding, financial implications and the status of the proceedings, see the section titled “*Legal Proceedings*” of this Preliminary Placement Document.

***We require certain regulatory approvals and licenses in the ordinary course of our business, and the failure to obtain, maintain and renew these approvals and licenses necessary for carrying out our business, in a timely manner or at all, may adversely affect our operations.***

We are subject to various environmental, health and safety, employee-related and other laws and regulations applicable to our business operations, including laws and regulations governing our relationship with our employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labor and work permits, as well as other local laws or regulations in the countries in which we operate. The success of our strategy to modernize, optimize and expand our existing operations in the sectors in which we operate is contingent upon, among other factors, receipt of all required licenses, permits and authorizations, including local land use permits, building and zoning permits, environmental permits, and health and safety permits.

Although we believe that we are in compliance with all environmental, health and safety, employee-related and other applicable laws and regulations currently in force, changes in laws or regulations in the countries in which we operate may result in us incurring significant costs in order to maintain compliance with such laws and regulations and may delay or prevent project completion. There can be no assurances that the legal framework, licensing and other regulatory requirements or enforcement trends in our industry will not further change in a manner that does not result in increased costs of compliance, or that we will be successful in responding to such changes. Moreover, as we grow our business, the potential for violating these laws and regulations may also increase.

If we fail to comply with any existing laws and regulations, or fail to obtain, maintain or renew any of the required licenses or approvals, the relevant regulatory authorities may impose fines and penalties on us, revoke our business licenses and approvals and/or require us to discontinue our business or impose restrictions on the affected portion of our business. Any action brought against us for alleged violations of laws or regulations, even if our defense thereof is successful, could cause us to incur significant legal expenses and divert our management’s attention from the operation of our business. Any determination that we have violated, or the public announcement that we are being investigated for possible violations, of these laws or regulations, could harm our reputation, operating results and financial condition. If we are found in violation, we may be subject to any applicable penalties associated with such violations, including civil and criminal penalties, damages and fines, loss of various licenses, certificates, accreditations or authorizations, orders to refund payments received by us, and orders to curtail or cease our operations. If we lose or otherwise are unable to maintain any of our required licenses and approvals under applicable laws and regulations, our business operations will be materially and adversely affected.

***We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.***

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labor for performance of certain of our operations. Although we do not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our



results of operations and financial condition. In addition, under the Contract Labor (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract laborers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

***Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees.***

While we have not experienced any significant employee related issues in the past, there can be no assurance that we will not experience any strikes, work stoppages or other industrial actions or that these situations will not disrupt our business and operations in the future. In the event that we are unable to manage any employee related issues or negotiate any settlement with our workers on acceptable terms, it could result in strikes, work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, such industrial disruptions or work stoppages may result in production losses and delays in delivery of products, which may adversely affect our business prospects, reputation, and results of operations.

***Our insurance coverage may not be sufficient to cover all of our potential losses.***

Our business may involve risks and hazards which could adversely affect our profitability, including natural calamities, breakdowns, failure or substandard performance of equipment, third party liability claims, labor disturbances, employee fraud and infrastructure failure. Our Company cannot assure you that the operation of our business will not be affected by any such incidents or hazards. In addition, our insurance may not provide adequate coverage in such circumstances including those involving claims by third parties and is subject to certain deductibles, exclusions and limits on coverage. If our arrangements for insurance or indemnification are not adequate to cover claims, including those exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, our Company may be required to make substantial payments and our results of operations and financial condition may be adversely affected.

***Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on various factors. Accordingly, realization of a gain on shareholder investments will depend on the appreciation of the price of the Equity Shares. There is no assurance that the Equity Shares will appreciate in value. We cannot assure you that we will be able to pay dividends in the future. For details of dividend paid by our Company in the past, see “Dividends”.

***Any damages caused by fraud, theft or other misconduct by our employees could adversely affect our profitability, results of operations and cash flows.***

We are exposed to operational risk arising from inadequacy or failure of internal processes or systems or from fraud or theft. We are susceptible to fraud or misappropriation by our employees or outsiders. Our management information systems and internal control procedures are designed to monitor our operations and overall compliance. However, they may not be able to identify non-compliance and/or suspicious transactions in a timely manner or at all. As a result, we may suffer monetary losses, which may not be covered by our insurance and may thereby adversely affect our profitability, results of operations and cash flows. Such a result may also adversely affect our reputation.

***Increases in interest rates may materially impact our results of operations.***

As our business is capital intensive, we are exposed to interest rate risks. Interest rates for borrowings have been volatile in India in recent periods. Some of our current debt facilities carry interest at variable rates as well as fixed rates with periodic resets of interest rates. Although we may decide to engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective interest rate reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties in hedging transactions will perform their obligations, or that such agreements, if entered into, will protect us adequately against interest rate risks. Accordingly, the increase of our interest expense may have an adverse effect on the cost of our debt funding and our results operations and financial condition may be

adversely affected.

***The Viability and level of wind energy generation is dependent on wind patterns, which are not static and varies over time.***

The viability of wind energy projects is primarily dependent on the wind patterns at project sites conforming to the patterns that had previously been recorded to determine the suitability of these sites for wind energy projects. Although the company uses its expertise and experience for assessment of wind patterns, there can be no assurance that wind patterns at a particular site will remain constant. Any changes in wind patterns at particular sites that have been previously identified as suitable for wind energy projects could affect the company's ability to sell WTGs to potential customers and could also damage its reputations and prospects. Failure on the part of company to identify suitable locations or any subsequent changes in wind patterns could have a material adverse effect on the company's business, financial condition, cash flows and results of operations.

***The viability of wind energy projects is dependent on the price at which electricity can be sold.***

The viability of wind energy project in a particular region is also dependent on the price at which electricity can be sold as well as the cost of wind-generated electricity compared to electricity generated from other sources of energy in such region. Wind energy projects require higher initial capital investment per kWh of energy produced as compared to that required for a fossil based power plant. The cost of electricity produced by wind energy is dependent upon the cost of establishment of wind energy projects themselves including access to the electricity grid, financing costs, and maintenance cost and wind conditions at designated site. Continued investment in product techniques and technical advances in WTG design has led to overall reduction in the cost per kWh of power from wind energy over period of time. However an increase in cost competitiveness or significant developments in technology for other sources of power generation would have a material adverse effect on the company's business, financial condition.

## **EXTERNAL RISK FACTORS**

***If acts of terrorism and other similar threats to security, communal disturbances or riots erupt in India, or if regional hostilities increase, this would adversely affect the Indian economy, and our business, results of operations and cash flows.***

India has experienced communal disturbances, terrorist attacks and riots in the past. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries, including those between India and Pakistan. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, as well as other acts of violence or war could influence the Indian economy by creating a perception that investments in India involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

***Natural disasters and other calamities could have a negative impact on the Indian economy and could cause our business to suffer and the trading price of our Equity Shares to decline.***

India has experienced natural disasters like earthquakes, floods, tsunamis and drought in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Health epidemics could also disrupt our business, including the most highly pathogenic strains of avian and swine influenza, H5N1 and H1N1. Certain countries in Southeast Asia have reported cases of bird to human transmission of avian and swine influenza resulting in numerous human deaths. Moreover, certain areas of India have experienced outbreaks of H5N1 among livestock. The World Health Organization and other agencies have issued warnings on a potential avian or swine influenza pandemic if there is sustained human to human transmission. Future outbreaks of avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of avian or swine influenza or other contagious disease could adversely affect our business.

***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact us. A rapid decrease in reserves would also create risk of higher interest rates and a consequent slowdown in growth.***

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. There can be no assurance that India's foreign exchange reserves will not decrease in the future. Further, a decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates, which could adversely affect our business, financial condition, results of operations and cash flows.

***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition, cash flows and results of operations.***

Our financial statements, including the financial statements included in this Placement Document, were prepared in accordance with Indian GAAP. No attempt has been made to reconcile any of the information given in this Preliminary Placement Document to any other principles or to base it on any other standards. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries.

If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. In making an investment decision, investors must rely upon their own examination of us, the terms of this Issue and the financial information contained in this Preliminary Placement Document.

***Certain companies in India, including us, may be required to prepare financial statements under IFRS or a variation thereof, IND-AS. We may be adversely affected by the transition to IFRS or IND-AS in India.***

Ministry of Corporate Affairs, Government of India (the "MCA") on February 16, 2015 notified the Companies (Indian Accounting Standards) Rules, 2015, (the "Rules") laying down the road map for the implementation of IND-AS in a phased manner. We have not determined with any degree of certainty the impact that such adoption IND-AS, if the aforesaid exemption is lifted, will have on our financial reporting. Therefore, there can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under IND-AS than under Indian GAAP. In our transition to IND-AS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, there is increasing competition for the small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IND-AS financial statements. Further, there is no significant body of established practice on which to draw in forming judgments regarding the new system's implementation and application. There can be no assurance that our adoption of IND-AS, if mandated by law, will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IND-AS could adversely affect our financial condition, results of operations and cash flows.

***Companies operating in India are subject to a variety of central and state government taxes and surcharges.***

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

***Our ability to raise foreign capital may be constrained by Indian law, which may adversely affect our business, financial condition, cash flows and results of operations.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business, financial condition, cash flows and results of operations.

***Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or executive officers.***

We are a limited liability company incorporated under the laws of India. Almost all of our Directors and key managerial personnel are residents of India and all of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy. For details, see “*Enforcement of Civil Liabilities*”. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to execute such a judgment or to repatriate outside India any amount recovered. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law

***We cannot guarantee that our Equity Shares issued pursuant to the Issue will be listed on the Stock Exchanges in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to this Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of the Equity Shares to be submitted. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining these approvals would restrict an investor’s ability to dispose of the Equity Shares.

***An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of the issue of the Equity Shares.***

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in the Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to FVCIs, VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

***After this Issue, the price of our Equity Shares may be volatile.***

The Issue Price will be determined by us in consultation with the Book Running Lead Manager, based on Bids received in compliance with Chapter VIII of the ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is completed. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian financial services industry and the perception in the market about investments in the financial services industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments.

In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely

affect the price of our Equity Shares. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Issue or the price at which the Equity Shares will trade in the market subsequent to this Issue.

***Fluctuations in the exchange rate between the Indian Rupee and other currencies could have an adverse effect on the value of our Equity Shares in those currencies, independent of our operating results.***

Our Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Indian Rupee and other currencies (such as, the U.S. dollar, the Euro, the pound sterling and the Singapore dollar) has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares in foreign currency terms, independent of our operating results.

***Any future issuance of the Equity Shares by us or sales of the Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by us, such as a primary offering or pursuant to a preferential allotment, may dilute your shareholding in us, adversely affect the trading price of our Equity Shares and could affect our ability to raise capital through an issuance of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal of Equity Shares by any of our significant shareholders or our promoters, any future issuance of Equity Shares by any of our significant shareholders or Promoters, any future issuance of Equity Shares by us or the perception that such issuances or sales may occur may significantly affect the trading price of the Equity Shares. Except for the customary lock-up on the Company's ability to issue equity or equity linked securities discussed in "Placement", there is no restriction on our ability to issue Equity Shares or our major shareholders' ability to dispose of their Equity Shares, and we cannot assure you that we will not issue Equity Shares or that any major shareholder will not dispose of, encumber, or pledge, its Equity Shares. Such securities may also be issued at prices below the then current trading price of our Equity Shares. Sales of Equity Shares by our major shareholders may also adversely affect the trading price of our Equity Shares.

***Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of the Equity Shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of the Equity Shares is not in compliance with such pricing guidelines or reporting requirements and does not fall under any of the specified exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or a tax clearance certificate from the income tax authority. We



cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. These foreign investment restrictions may adversely affect the liquidity and free transferability of the Equity Shares and could result in an adverse effect on the price of the Equity Shares.

***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder's ability to sell, or the price at which it can sell the Equity Shares at a particular point in time.***

We are subject to a daily “circuit breaker” imposed by the Stock Exchanges, which does not allow transactions beyond certain specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breaker generally imposed by the SEBI on Indian stock exchanges. The maximum movement allowed in the price of the Equity Shares before the circuit breaker is triggered is determined by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges will inform us of the triggering point of the circuit breaker in effect from time to time, but it may change without our knowledge. This circuit break will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance that shareholders will be able to sell the Equity Shares at their preferred price or at all at any particular point in time.

***Conditions in the Stock Exchanges may affect the price and liquidity of the Equity Shares.***

Indian stock exchanges are smaller than stock markets in developed economies and have in the past experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems have included temporary closure of the stock exchanges to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have from time to time restricted securities from trading, limited price movements and imposed margin requirements. For more information on the securities market of India, see “*The Securities Market of India*”.

***Applicants to the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date.***

In terms of the ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The Allotment of the Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Bid/Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

## SUMMARY OF THE BUSINESS

### Overview

Veer Energy develops, implements, finances and operates projects in the renewable energy sector, especially in wind energy. Veer energy's approach to development, operation and management involves:

- Investing and identifying new high quality project opportunities in association with local partners and key stakeholders.
- Working with local communities for the optimal siting and design of wind farms
- Taking initiatives to ensure it will be a responsible, locally involved stakeholder over a project's entire life cycle (Planning, building, operating and decommissioning the wind farm)

VEIL is an energy & infrastructure company headquartered in Mumbai, India. The Company is listed on Bombay Stock Exchange (BSE), its objective is to play a major role in responding to the growing problem of climate change attributed to greenhouse gas emissions.

The company is currently active in western region of India with approximately 55MW in op or construction. The growth is expected in both core and new markets, supported by a large development pipeline and Veer Energy's network of joint development ventures with local developers & contractors.

VEIL provides technical solutions for a future with reduced dependence on fossil fuels and fewer greenhouse gas emissions, which has been identified as the cause of global warming and is a major threat to our planet.

VEIL's development of wind energy is consistent with what is prescribed by the Kyoto Protocol. Once in operation, wind farms are a virtually emission free energy source, providing clean and sustainable energy. Veer Energy works to be actively involved in all key phases of wind farm development, finance, construction, and operation.

VEIL's wind farm design ensures an optimal economic balance due to professional site selection and technical quality of the wind turbines.

Some of the major activities of the Company can be classified under the following division:

### 1. Wind farm Infrastructure Development Division

#### a. Land

Identifying suitable wind rich sites and procuring the same, forms the base of the wind farm. The policy of the company has always been to work closely with the local community throughout the planning, construction and operation of the Veer Energy's wind farms. In the course of wind farm construction, Veer Energy places great importance on working closely with local authorities and land owners and seeking opportunities to include local suppliers and contractors. Liaison committees are set up with the representatives of the local communities and through the liaison committees veer energy is able to keep the local communities informed of progress and respond to any concerns or issues raised.

#### b. Civil Foundation

The location will be taken up for the construction of foundation. There are two types of foundations, one is for tabular tower and the other one is for structural tower i.e. Lattice tower. Normally, tabular tower foundations are pit type foundation where the pit of about three meters depth will be dug. After the excavation of sand, the next process is of pouring concrete which will be allowed for curing as per the required duration. Foundations for the turbines consist of a steel reinforced concrete plinth of approximately 15m in diameter depending upon the size of the wind turbine and with a central column of around 5m in diameter onto which the turbine tower is fixed. Foundations are backfilled and restored after construction so as to leave only a small stone apron around the base of each tower visible.

#### c. Erection of Wind Turbines

The wind turbines are erected with utmost care with help of highly skilled engineers and labors. A combination of high capacity cranes along with supporting cranes are used in erection of the wind turbines. Structures and components of wind turbines need to sufficiently accomplish their intended purposes during later operation for which Veer Energy ensures that quality management measures are adequately implemented during the erection of a wind turbine. Critical inspections are undertaken at every stage to ensure compliance with different location-oriented requirements of setting up a wind project. We have experience & expertise in setting up a wind farm Power Project of approx. 100 MW across various geographies of Gujarat.



#### d. Electrical Yard & Transmission lines

The power generated from the wind is passed through a network of transformers, isolators, meters and then fed to the transmission lines which transmit the power up to the on-site sub-station. Electrical connections between the turbines are made via on ground cables to the on-site electrical substation. These cables are laid using RSJ poles, so far as far possible, routed to follow site access tracks.

## 2. Operational & Maintenance

At veer energy, service and maintenance are just as important to us as choosing the right wind turbines & sites. Thus, we want you to know that we view the operation & maintenance of the wind farm as the beginning of a close partnership that will last the next 20-25 years, or more. Our team of highly experienced and dedicated engineers is committed to ensure a trouble free operation of the wind turbines with minimal downtime. We are currently providing O & M service for 125WTG's of 225 KW of windmill, 6 WTG's of 750 KW, 3WTG's of 800 KW at Kutch site, 29 WTG's of 800 KW and 3 WTG's of 225KW, at Mota Gunda of windmill to our esteemed clients & also doing O & M of our sub-station of capacity 55MW & 25MW at Chandrodi & Mota Gunda respectively. We take preventive & breakdown maintenance of the WTG's & its related equipments including replacement of spare parts & other components for specified capacities of WTGs. We provide operation service round the clock, like watch and ward security Arrangement, Diagnosis of fault in WTGs in the event of breakdown, Record and report daily generation and breakdown data, Regular inspection of the WTG and all parts thereof Maintenance of history cards and log books, liaison with respective EB, for joint meter reading, raising invoices and Payments follow up. We do periodic maintenance service, tower torquing once in year, Nacella torquing & cleaning Control & Power panel maintenance, Transformer yard maintenance and relate works, Internal HT line patrolling and maintenance, Office transformer & VCB Housekeeping, Replacement of gear oil, Rotor bolt torquing, Generator alignment, Greasing work, Power panel & capacitor panel maintenance work, yaw brake servicing etc.

Some of our major customers are:

Products	Customer
Infrastructure Development and O & M Service	Suzlon Global Services Limited
Infrastructure Development	Suzlon Gujarat Wind Park
Infrastructure Development	Janki Windfarm Developers Pvt Ltd
Infrastructure Development and O & M Service	Gamesa Wind Turbine Pvt Ltd
Infrastructure Development	Suzlon Power Infrastructure Limited
Engineering Division Job Work	SKF Technology Pvt Ltd
O & M Service	Global Wind Infrastructure & Services Pvt Ltd
Infrastructure Development	Aspen Infrastructures Limited

In Fiscals 2017, 2016 and 2015, our consolidated net revenue from operations was Rs. 1890.35 Lakhs, Rs.5293.20 Lakhs and Rs. 4791.74 lakhs, respectively. We had a consolidated net profit of Rs. 120.46 Lakhs, Rs. 99.88 lakhs, and Rs. 168.46 lakhs in Fiscals 2017, 2016 and 2015, respectively. As at March 31, 2017, we had consolidated total assets of Rs. 6133.37 lakhs and consolidated total liabilities of Rs.6133.37 lakhs.

## Our Strengths

We believe that our business has the following key competitive strengths.

- Clean, renewable, zero-emission source of electricity and therefore not subject to potential price on carbon.
- It is one of the most environment friendly, reliable & clean sources of energy.
- Wind projects under stable policy frameworks are less affected by the credit crunch than higher risk investments.
- Favorable government policies & subsidies to promote renewable sources of energy.
- No fuel inputs and therefore no fuel costs.

## INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources such as the SIAM and ACMA. Neither the Company, nor the BRLM or any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.*

Renewable energy in India comes under the purview of the Ministry of New and Renewable Energy (MNRE). Newer renewable electricity sources are targeted to grow massively by 2022, including a more than doubling of India's large wind power capacity and an almost 15 fold increase in solar power from April 2016 levels. Such ambitious targets would place India amongst the world leaders in renewable energy use and place India at the center of its International Solar Alliance project promoting the growth and development of solar power internationally to over 120 countries.

India was the first country in the world to set up a ministry of non-conventional energy resources, in early 1980s. As of September 30, 2016 India's cumulative grid interactive or grid tied renewable energy capacity (excluding large hydropower) reached about 50.02 GW. 61% of the renewable power came from wind, while solar contributed nearly 19%. Large hydro installed capacity was 44.41 GW as of February 28, 2017 and is administered separately by the Ministry of Power and not included in MNRE targets.

From 2015 onwards the MNRE began laying down actionable plans for the renewable energy sector under its ambit to make a quantum jump, building on strong foundations already established in the country. MNRE renewable electricity targets have been up scaled to grow from just under 43 GW in April 2016 to 175 GW by the year 2022, including 100 GW from solar power, 60 GW from wind power, 10 GW from bio power and 5 GW from small hydro power. The Ministry of Power has announced that no new coal-based capacity addition is required for the 10 years to 2027 beyond the 50 GW under different stages of construction and likely to come online between 2017 and 2022. The ambitious targets would see India quickly becoming one of the leading green energy producers in the world and surpassing numerous developed countries. The government intends to achieve 40% cumulative electric power capacity from non fossil fuel sources by 2030.

<b>Installed grid interactive renewable power capacity (excluding large hydropower) in India as of March 31, 2017 (RES MNRE)</b>		
<b>Source</b>	<b>Total Installed Capacity (MW)</b>	<b>2022 target (MW)</b>
Wind power	32279.77	60,000.00
Solar power	12288.83	100,000.00
Biomass power (Biomass & Gasification and Bagasse Cogeneration)	8182.00	*10,000.00
Waste-to-Power	114.08	
Small hydropower	4379.85	5,000.00
<b>Total</b>	<b>57244.23</b>	<b>175,000.00</b>

*\* The target is given for "bio-power" which includes biomass power and waste to power generation.*

The figures above refer to newer and fast developing renewable energy sources and are managed by the Ministry for New and Renewable Energy (MNRE). In addition as of Dec 31, 2016 India had 50,017.97 MW of installed large hydro capacity, which comes under the ambit of Ministry of Power.

In terms of meeting its ambitious 2022 targets, as of March 31 2017, wind power was more than halfway towards its goal, whilst solar power was below 13% of its highly ambitious target, although expansion is expected to be

dramatic in the near future. Bio energy was at just above 80% mark whilst small hydro power was already 85% of the way to meet its target. Overall India was at 33 % towards meeting its 2022 renewable installed power capacity target of 175 GW. The total breakdown of installed grid connected capacity from all sources including large hydro was as follows:

<b>Grid connected installed capacity from all sources as of February 28, 2017</b>		
<b>Source</b>	<b>Installed Capacity (MW)</b>	<b>Share</b>
Coal	189,047.88	59.93%
RES MNRE	50,018.00	15.86%
Large Hydro	44,413.43	14.08%
Gas	25,329.38	8.03%
Diesel	837.63	0.27%
Nuclear	5,780.00	1.83%
<b>Total</b>	<b>315,426.32</b>	<b>100.00%</b>

\* The target is given for "bio-power" which includes biomass power and waste to power generation.

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<b>Total</b>	<b>315,426.32</b>	<b>100.00%</b>

The first figure at the top of the table refers to the fast growing renewable energy sources under the responsibility of the Ministry for New and Renewable Energy and slightly exceeded the installed capacity of large hydro installations. This figure is targeted to reach 175 GW by 2022. Coal power currently represents the largest share of installed capacity at just under 186 GW. Total installed capacity as of April 30, 2016, for grid connected power in India stood at a little under 303 GW.

#### Off-grid renewable energy

Off-grid power as of July 31, 2016 (MNRE) Capacities in MW <sub>(EQ)</sub>	
Source	Total Installed Capacity (MW)
Biomass(non-bagasse) Cogeneration	651.91
SPV Systems	438.95
Biomass Gasifiers	186.88
Waste to Energy	164.45
Water mills / micro hydel	18.81

Off-grid power as of July 31, 2016 (MNRE) Capacities in MW <sub>(EQ)</sub>	
Source	Total Installed Capacity (MW)
Aero-Generators / Hybrid systems	2.98
<b>Total</b>	<b>1463.98</b>

In addition to grid connected renewable electricity and Off-grid renewable energy sources, India has 4.95 million of family biogas plants as of February 28, 2017.

### WIND POWER

The development of wind power in India began in the 1990s, and has significantly increased in the last few years. Although a relative newcomer to the wind industry compared with Denmark or the US, domestic policy support for wind power has led India to become the country with the fourth largest installed wind power capacity in the world.

As of February 28, 2017 the installed capacity of wind power in India was 29151.29 MW, mainly spread across Tamil Nadu (7,269.50 MW), Maharashtra (4,100.40 MW), Gujarat (3,454.30 MW), Rajasthan (2,784.90 MW), Karnataka (2,318.20 MW), Andhra Pradesh (746.20 MW) and Madhya Pradesh (423.40 MW). Wind power accounts for 14% of India's total installed power capacity. India has set an ambitious target to generate 60,000 MW of electricity from wind power by 2022.

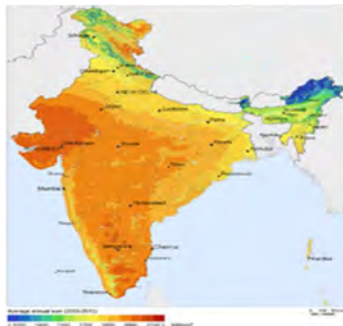
Some of India's largest wind farms are:

Largest wind farms in India			
Wind farm	Producer	State	Current capacity (MW)
Muppandal wind farm	Muppandal Wind	Tamil Nadu	1,500
Jaisalmer Wind Park	Suzlon Energy	Rajasthan	1,275
Brahmanvel windfarm	Parakh Agro Industries	Maharashtra	528
Dhalgaon windfarm	Gadre Marine Exports	Maharashtra	278
Chakala windfarm	Suzlon Energy	Maharashtra	217

Largest wind farms in India			
Wind farm	Producer	State	Current capacity (MW)
Vankusawade Wind Park	Suzlon Energy	Maharashtra	189
Vaspeta Windfarm			

### SOLAR POWER

India is densely populated and has high solar insolation, an ideal combination for using solar power in India. Much of the country does not have an electrical grid, so one of the first applications of solar power has been for water pumping, to begin replacing India's four to five million diesel powered water pumps, each consuming about 3.5 kilowatts, and off-grid lighting. Some large projects have been proposed, and a 35,000 km<sup>2</sup> (14,000 sq mi) area of the Thar Desert has been set aside for solar power projects, sufficient to generate 700 to 2,100 gigawatts. Solar power in India has been growing at a rate of 113% YOY and now dropped to around ₹4.34 (6.7¢ US) per kWh compared with ₹3 (4.7¢ US) - ₹5 (7.8¢ US) per kWh for coal, thus achieving grid parity.



Solar Resource Map of India

The Indian Solar Loan Programme, supported by the United Nations Environment Programme has won the prestigious Energy Globe World award for Sustainability for helping to establish a consumer financing program for solar home power systems. Over the span of three years more than 16,000 solar home systems have been financed through 2,000 bank branches, particularly in rural areas of South India where the electricity grid does not yet extend.

Launched in 2003, the Indian Solar Loan Programme was a four-year partnership between UNEP, the UNEP Risoe Centre, and two of India's largest banks, the Canara Bank and Syndicate Bank.

Announced in November 2009, the Government of India proposed to launch its Jawaharlal Nehru National Solar Mission under the National Action Plan on Climate Change with plans to generate 1,000 MW of power by 2013 and up to 20,000 MW grid-based solar power, 2,000 MW of off-grid solar power and cover 20×106 m<sup>2</sup> (220×106 sq ft) with collectors by the end of the final phase of the mission in 2020. The Mission aims to achieve grid parity (electricity delivered at the same cost and quality as that delivered on the grid) by 2020. Achieving this target would establish India as a global leader in solar power generation.

India is also the home to the world's first and only 100% solar powered airport, located at Cochin, Kerala



## WASTE TO ENERGY

Every year, about 55 million tonnes of municipal solid waste (MSW) and 38 billion litres of sewage are generated in the urban areas of India. In addition, large quantities of solid and liquid wastes are generated by industries. Waste generation in India is expected to increase rapidly in the future. As more people migrate to urban areas and as incomes increase, consumption levels are likely to rise, as are rates of waste generation. It is estimated that the amount of waste generated in India will increase at a per capita rate of approximately 1-1.33% annually. This has significant impacts on the amount of land that is and will be needed for disposal, economic costs of collecting and transporting waste, and the environmental consequences of increased MSW generation levels.

India has had a long involvement with anaerobic digestion and biogas technologies. Waste water treatment plants in the country have been established which produce renewable energy from sewage gas. However, there is still significant untapped potential. Also wastes from the distillery sector are on some sites converted into biogas to run in a gas engine to generate onsite power.

Source: [https://en.wikipedia.org/wiki/Renewable\\_energy\\_in\\_India](https://en.wikipedia.org/wiki/Renewable_energy_in_India)

## SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including under the sections titled “Risk Factors”, “Use of Proceeds”, “Issue Procedure”, “Description of Equity Shares” and “Placement and Lock-Up”.

<b>Issuer</b>	Veer Energy & Infrastructure Limited
<b>Issue Size</b>	Up to 26,50,000 Equity Shares aggregating up to Rs. [*] crores  A minimum of 10% of the Issue Size, or at least 2,65,000 Equity Shares, shall be available for allocation to Mutual Funds only, and the balance 23,85,000 Equity Shares shall be available for allocation to all QIBs, including Mutual Funds
<b>Floor Price</b>	Rs. 22.54 per Equity Share
<b>Issue Price</b>	Rs. [*] per Equity Share
<b>Date of Board Resolution</b>	27 <sup>th</sup> May 2016
<b>Date of Shareholders approval</b>	4 <sup>th</sup> July, 2016
<b>Equity Shares issued and outstanding immediately before the issue</b>	78,63,250 Equity Shares
<b>Equity Shares issued and outstanding immediately after the issue</b>	1,05,13,250 Equity Shares
<b>Listing</b>	The Company has received in-principle approval from the BSE vide its letter no. [*] dated [*] under Regulation 28(1) of the Listing Regulations.
<b>Dividend</b>	For more information, see the sections titled “Dividends”
<b>Transfer Restrictions</b>	The Equity Shares being Allotted shall not be sold for a period of one year from the date of Allotment except on the floor of the Stock Exchanges. The Equity Shares are subject to certain selling and transfer restrictions. For details, see the sections titled “Selling Restrictions” and “Transfer Restrictions”
<b>Use of Proceeds</b>	The objective if the issue is to raise the funds for proposed 160 MW wind farm development project in the state of Rajasthan, Gujarat and Maharashtra. Net proceeds of the Issue (after deduction of fees, commissions and expenses in relation to the Issue) are expected to total approximately Rs. [*]
<b>Risk Factors</b>	See the section titled “Risk Factors” for a discussion of factors you should consider before deciding whether to subscribe to the Equity Shares
<b>Pay-in Date</b>	Last date specified in the CAN for payment of Bid monies by the QIBs
<b>Closing Date</b>	[*]
<b>Status and Ranking</b>	Equity Shares being issued shall be subject to the provisions of our Company’s Memorandum and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares, including rights in respect of dividends.  The Shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, the Listing Regulations and other applicable laws and regulations. See the section titled “Description of Equity Shares”
<b>Security Codes for the Equity Shares</b>	<b>ISIN</b> INE255E01030 <b>BSE Code</b> 503657

## USE OF PROCEEDS

The total proceeds of the Issue will be [\*] lakhs. After deducting the Issue related expenses (including fees and commissions) of approximately [\*] lakhs, the net proceeds of the Issue will be approximately [\*] lakhs (the “Net Proceeds”).

Subject to compliance with applicable laws and regulations, we intend to use the Net Proceeds to further the consolidation process undertaken by our Company, for investments in new projects and for meeting our working capital requirement. As permissible under applicable laws, our management will have flexibility in deploying the Net Proceeds received by our Company from the Issue which shall be in the best interest of our Company. Neither our Promoters and Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

## CORPORATE INFORMATION AND ORGANIZATIONAL STRUCTURE

### CORPORATE HISTORY

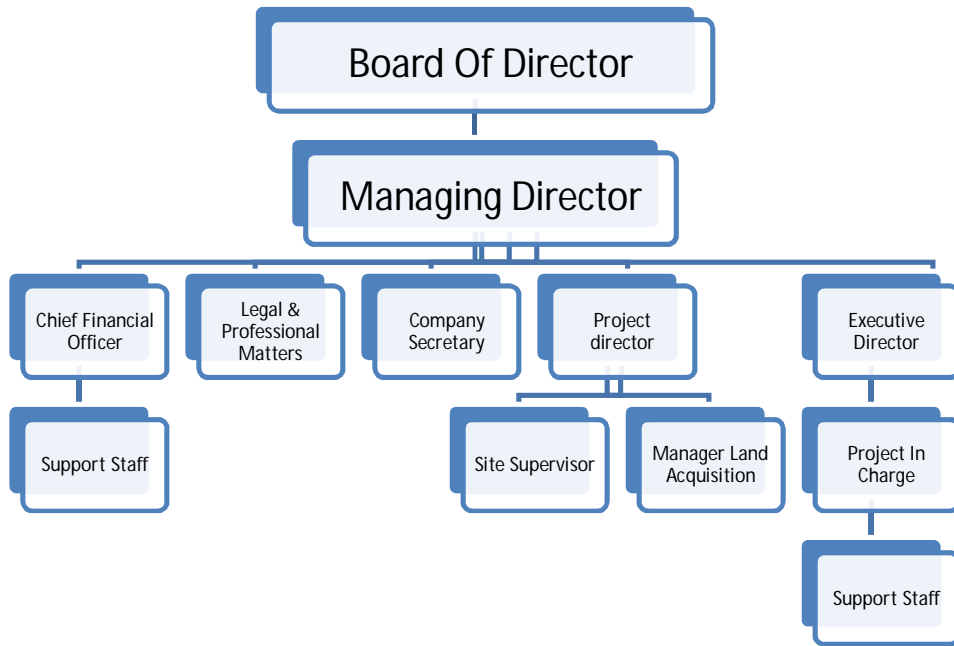
Our Company was incorporated as ‘*Jhantla Investments Limited*’, as a Limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated 24<sup>th</sup> October, 1980 issued by Registrar of Companies, Maharashtra at Mumbai. Consequently, the name of Company was changed to its present name ‘Veer Energy & Infrastructure Limited’ vide fresh certificate of incorporation dated 13<sup>th</sup> February, 2006.

Our Registered & Corporate Office is situated at 629A, Gazdar House, First Floor, J Shankar Sheth Marg, Mumbai-400002, India.

### MAIN OBJECTS

1. To Generate, Accumulate, produce, convert, transmit, distribute, purchase, sell and supply or otherwise deal in power on any other energy from conventional/ non-conventional energy sources including but not restricted to solar energy, wind energy, all forms of biomass energy, Geo Thermal energy, Hydel Energy, Tidal and Wave Energy on Commercial basis to construct, lay down, install, commission, establish, operate and maintain power/energy generating stations, including building structures, works, machineries, equipment’s, cables and to undertake or to carry on the business of managing, owing, controlling, erecting, commissioning, operating, running, leasing or transferring to third person/s, power plants based on conventional/non-conventional energy sources including solar energy plants, wind energy plants, mechanical, hydel, civil engineering works and also to carry on the business as manufactures, producers, processors, required for or capable of being used in connection with generation, distribution, supply, accumulation and employment of power/energy and all types of power/energy saving devices, products, gadgets and its components.

## ORGANIZATIONAL STRUCTURE



## SUBSIDIARIES

Currently, our Company has no Subsidiary

## BUSINESS

### Overview

Veer Energy develops, implements, finances and operates projects in the renewable energy sector, especially in wind energy. Veer energy's approach to development, operation and management involves:

- Investing and identifying new high quality project opportunities in association with local partners and key stakeholders.
- Working with local communities for the optimal siting and design of wind farms
- Taking initiatives to ensure it will be a responsible, locally involved stakeholder over a project's entire life cycle (Planning, building, operating and decommissioning the wind farm)

Veer Energy Infrastructure Limited is an energy & infrastructure company headquartered in Mumbai, India. The Company is listed on Bombay Stock Exchange (BSE), its objective is to play a major role in responding to the growing problem of climate change attributed to greenhouse gas emissions.

The company is currently active in western region of India with approximately 55MW in op or construction. The growth is expected in both core and new markets, supported by a large development pipeline and Veer Energy's network of joint development ventures with local developers & contractors.

Veer Energy provides technical solutions for a future with reduced dependence on fossil fuels and fewer greenhouse gas emissions, which has been identified as the cause of global warming and is a major threat to our planet.

Veer Energy's development of wind energy is consistent with what is prescribed by the Kyoto Protocol. Once in operation, wind farms are a virtually emission free energy source, providing clean and sustainable energy. Veer Energy works to be actively involved in all key phases of wind farm development, finance, construction, and operation.

Veer Energy's wind farm design ensures an optimal economic balance due to professional site selection and technical quality of the wind turbines.

Some of the major activities of the Company can be classified under the following division:

### 1. Wind farm Infrastructure Development Division

#### a. Land

Identifying suitable wind rich sites and procuring the same, forms the base of the wind farm. The policy of the company has always been to work closely with the local community throughout the planning, construction and operation of the Veer Energy's wind farms. In the course of wind farm construction, Veer Energy places great importance on working closely with local authorities and land owners and seeking opportunities to include local suppliers and contractors. Liaison committees are set up with the representatives of the local communities and through the liaison committees veer energy is able to keep the local communities informed of progress and respond to any concerns or issues raised.

#### b. Civil Foundation

The location will be taken up for the construction of foundation. There are two types of foundations, one is for tabular tower and the other one is for structural tower i.e. Lattice tower. Normally, tabular tower foundations are pit type foundation where the pit of about three meters depth will be dug. After the excavation of sand, the next process is of pouring concrete which will be allowed for curing as per the required duration. Foundations for the turbines consist of a steel reinforced concrete plinth of approximately 15m in diameter depending upon the size of the wind turbine and with a central column of around 5m in diameter onto which the turbine tower is fixed. Foundations are backfilled and restored after construction so as to leave only a small stone apron around the base of each tower visible.

### c. Erection of Wind Turbines

The wind turbines are erected with utmost care with help of highly skilled engineers and labors. A combination of high capacity cranes along with supporting cranes are used in erection of the wind turbines. Structures and components of wind turbines need to sufficiently accomplish their intended purposes during later operation for which Veer Energy ensures that quality management measures are adequately implemented during the erection of a wind turbine. Critical inspections are undertaken at every stage to ensure compliance with different location-oriented requirements of setting up a wind project. We have experience & expertise in setting up a wind farm Power Project of approx. 100 MW across various geographies of Gujarat.

### d. Electrical Yard & Transmission lines

The power generated from the wind is passed through a network of transformers, isolators, meters and then fed to the transmission lines which transmit the power up to the on-site sub-station. Electrical connections between the turbines are made via on ground cables to the on-site electrical substation. These cables are laid using RSJ poles, so far as far possible, routed to follow site access tracks.

## 2. Operational & Maintenance

At veer energy, service and maintenance are just as important to us as choosing the right wind turbines & sites. Thus, we want you to know that we view the operation & maintenance of the wind farm as the beginning of a close partnership that will last the next 20-25 years, or more. Our team of highly experienced and dedicated engineers is committed to ensure a trouble free operation of the wind turbines with minimal downtime. We are currently providing O & M service for 125WTG's of 225 KW of windmill, 6 WTG's of 750 KW, 3WTG's of 800 KW at Kutch site, 29 WTG's of 800 KW and 3 WTG's of 225KW, at Mota Gunda of windmill to our esteemed clients & also doing O & M of our sub-station of capacity 55MW & 25MW at Chandrodi & Mota Gunda respectively. We take preventive & breakdown maintenance of the WTG's & its related equipments including replacement of spare parts & other components for specified capacities of WTGs. We provide operation service round the clock, like watch and ward security Arrangement, Diagnosis of fault in WTGs in the event of breakdown, Record and report daily generation and breakdown data, Regular inspection of the WTG and all parts thereof Maintenance of history cards and log books, liaison with respective EB, for joint meter reading, raising invoices and Payments follow up. We do periodic maintenance service, tower torquing once in year, Nacella torquing & cleaning Control & Power panel maintenance, Transformer yard maintenance and relate works, Internal HT line patrolling and maintenance, Office transformer & VCB Housekeeping, Replacement of gear oil, Rotor bolt torquing, Generator alignment, Greasing work, Power panel & capacitor panel maintenance work, yaw brake servicing etc.

Some of our major customers are:

Products	Customer
Infrastructure Development and O & M Service	Suzlon Global Services Limited
Infrastructure Development	Suzlon Gujarat Wind Park
Infrastructure Development	Janki Windfarm Developers Pvt Ltd
Infrastructure Development and O & M Service	Gamesa Wind Turbine Pvt Ltd
Infrastructure Development	Suzlon Power Infrastructure Limited
Engineering Division Job Work	SKF Technology Pvt Ltd
O & M Service	Global Wind Infrastructure & Services Pvt Ltd
Infrastructure Development	Aspen Infrastructures Limited

In Fiscals 2017, 2016 and 2015, our consolidated net revenue from operations was Rs. 1890.35 Lakhs, Rs.5293.20 Lakhs and Rs. 4791.74 lakhs, respectively. We had a consolidated net profit of Rs. 120.46 Lakhs, Rs. 99.88 lakhs, and Rs. 168.46 lakhs in Fiscals 2017, 2016 and 2015, respectively. As at March 31, 2017, we had consolidated total assets of Rs. 6133.37 lakhs and consolidated total liabilities of Rs.6133.37 lakhs.



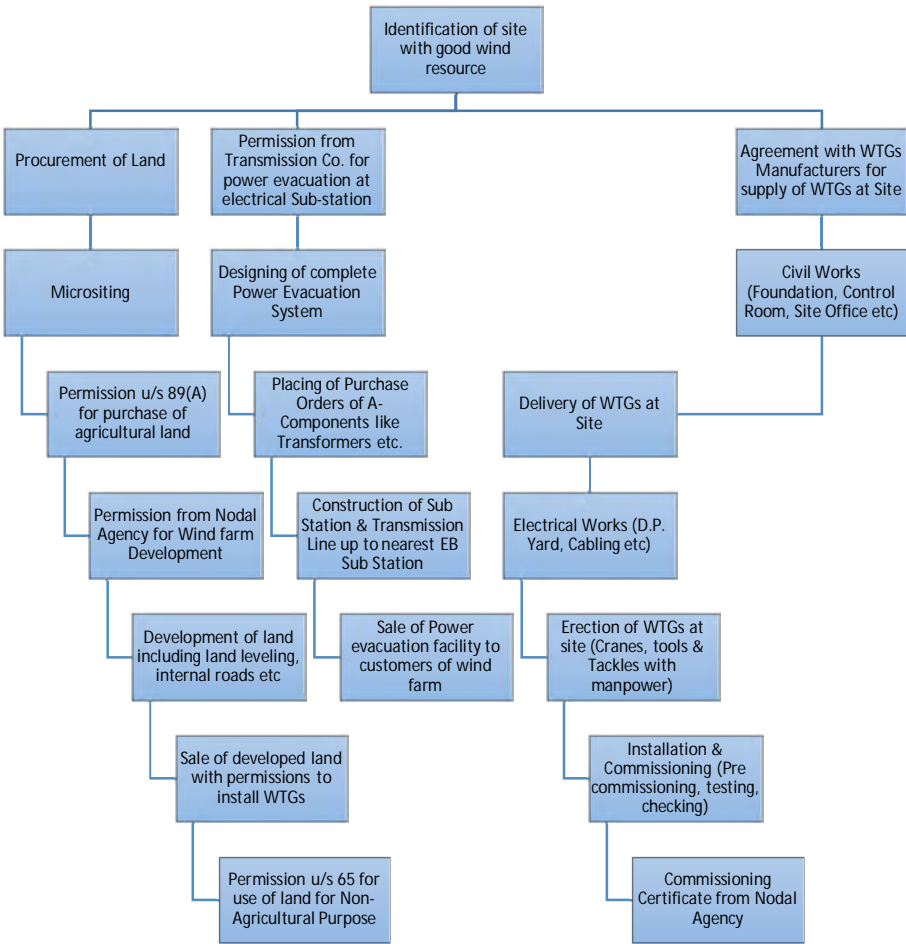
**Our Strengths**

We believe that our business has the following key competitive strengths.

- Clean, renewable, zero-emission source of electricity and therefore not subject to potential price on carbon.
- It is one of the most environment friendly, reliable & clean sources of energy.
- Wind projects under stable policy frameworks are less affected by the credit crunch than higher risk investments.
- Favorable government policies & subsidies to promote renewable sources of energy.
- No fuel inputs and therefore no fuel costs.

The following diagram sets forth the critical processes of cable manufacturing process:

**PRODUCTION PROCESS**



## Raw Materials

Company is in the business of constructing substation, internal and external transmission line, foundation for WTG, DP Yard, etc. and is a leading wind farm developer. In general raw materials required are broadly of two types civil and electrical.

Civil raw material used are cement, steel, anchor bolts, fencing wire, water, etc. which are readily and easily available locally.

In electrical work, raw material which are commonly available are CT, PT, circuit breakers, battery charger, switch yard accessories, control cables, panel for switch yard, etc. Major equipment's like power transformer, lighting arrestor, etc needs to be planned in advance as their general lead time for delivery is 7-8 weeks.

## Competition

Renewable energy is seen as the next big technology industry, with the potential to transform the energy industry across the world. Over the past few years, the cost structure of wind and solar and hydroelectric technologies has come down enormously. India's early and aggressive incentives for the wind sector have led to the development of world-class players.

India is a prevailing market for the wind industry. A large number of companies have tied up with foreign wind turbine manufacturers for joint venture/licensed production of WECS (Wind Energy Conversion System) in India. Research and development activities are being undertaken through research institutions, national laboratories, universities and industry for the development of cost effective technologies and systems to improve the quality of power generation from wind. The future of wind energy in India is extremely bright and there is no doubt that in the renewable energy sector, wind power would play a predominant role in adding to the national grid clean and non-polluting energy to a substantial extent.

Many of the states facing power shortages have sites with good wind power potential that is not being used efficiently due to the limitation of wind turbine manufacturers have their own wind farm developer division and in rest of the world, developer and manufacturer are different. Our company has successfully executed 200 MW as wind farm developer in India.

Major competition is from wind turbine manufacturers, as they also have division of site development. Looking to the various local site related issues, many companies have preferred to close site development activity and tie up with the developer. Further every state has their own policies which becomes difficult for the companies to develop new site as a wind farm developer. For further information, see the section titled "*Risk Factors*".

## Insurance

We maintain insurance cover for our assets to cover all normal risks associated with operations of our business, including fire, accidents and other natural disasters. We typically maintain standard fire and special perils insurance policies for our plants and machineries and buildings at our manufacturing facilities to cover risks such as fire and other ancillary perils. These insurance policies are generally valid for a year and are renewed annually. Our operations are subject to hazards inherent in our industry and other force majeure events. This includes hazards that may cause injury and loss of life, damage and destruction of property, equipment and environmental damage. Not all risks associated with our business and operations may be insurable, on commercially reasonable terms, or at all. Although we believe that the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage.

## Human Capital

Our human capital contributes significantly to our business operations and we believe that employees are our valuable asset and core strength. To further support that strength, we have identified skill set building as one of key business drivers, and have focused our employee initiatives in that direction. We periodically organize

various trainings for our employees to enhance their knowledge and skills. Our learning and development training programs are governed by quality business management principles adopted by us, which include a principle of in-depth identification of development needs and comprehensive structure of learning and development. We also recognize the importance of retaining critical talents and have introduced development action plans for our managers. We believe that our human resources initiatives led to positive trends in the production, quality, cost, delivery, safety and morale parameters in manufacturing, a higher level of engagement in workers, better working relationships between sales managers and reportees and a drop in front-line attrition. We also engage contract labor depending on our requirements from time to time, particularly at our manufacturing facilities. As of April 30, 2017, we had over 31 persons engaged in our operations.

### Health, Safety and Environment

We are committed to complying with applicable occupational health, safety and environmental regulations and other requirements in relation to the conduct of our operations. We believe that accidents and occupational health illness cases and hazards can be significantly reduced through the proactive and systematic approach including risks and hazards identification, assessment, analysis and control and by providing appropriate training to employees and contractors. We work proactively towards minimizing or eliminating the impact of hazards to people and the environment. We have formed cross-functional teams to implement fatigue reduction projects to boost productivity and established occupational health centers manned by medical staff operating. Our Indian manufacturing plants are equipped with the first-aid medical facilities where we periodically carry out medical checkups of all our employees as well as our contractors' employees.

We also have implemented a periodic medical examination program to improve occupational health and safety. Safety induction training for new entrants and periodical trainings for all employees and contractors is a continuous activity, and this system is maintained through constant consultations and communication. Principles of our environment protection measures include reduction, reuse and recycle of waste and prevention of pollution instead of control over it. We have obtained environmental consents to operate our plants conditional upon fulfillment of certain ongoing requirements. We have implemented various projects to reduce greenhouse gases emissions.

### Our Properties

Our Registered & Corporate Office is situated at 629-A, Gazdar House, 1<sup>st</sup> Floor, J. Shankar Sheth Marg, Mumbai-400002.

The following table details our manufacturing facilities as of March 31, 2017:

Entity	Location
Factory Land & Building, Shed	S.No.509-F, Changodar, Ahmedabad, Gujarat
Factory Building where Wind Turbine Generator (s) is installed.	Village Khodasar, Taluka-Bhachau, Dist.- Kutch, Gujarat

## CAPITALIZATION

The following table sets forth the Company's capitalization and total debt on a standalone basis as on March 31, 2017 and as adjusted to give effect to the Issue. This table should be read in conjunction with the sections titled "Select Financial Information", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information contained in the section titled "Financial Statements".

Particulars	(in Rs. Lakhs)	
	As of March 31, 2017	As Adjusted for the Issue*
<b>Short term debt (A)</b>		
Secured	97.44	[*]
Unsecured <sup>#</sup>	579.65	[*]
<b>Long term debt: (B)</b>		
Secured	70.24	[*]
Unsecured	-	[*]
<b>Total debt (C)</b>	<b>747.33</b>	[*]
<b>Shareholders' funds:</b>		
Share capital	786.32	[*]
Securities premium	1987.23	[*]
Reserves and Surplus	2105	[*]
<b>Total Shareholders' funds (D)</b>	<b>4878.55</b>	[*]
<b>Total capitalization (C+D)</b>	<b>5625.87</b>	[*]

## CAPITAL STRUCTURE

The detail of the Equity Share capital of our Company is as set forth below:

Particulars		Aggregate Nominal Value (in Rs. Lakhs)
<b>A</b>	<b>Authorized Share Capital</b>	
	1,50,00,000 Equity Shares	1500
<b>B</b>	<b>Issued, Subscribed and Paid-Up Capital before the Issue</b>	
	78,63,250 Equity Shares	786.32
<b>C</b>	<b>Present Issue**</b>	
	26,50,000 Equity Shares at a premium of Rs. [*] per Equity Share, aggregating up to Rs. [*] crores	265.00
<b>D</b>	<b>Paid-Up Equity Share Capital after the Issue</b>	
	1,05,13,250 Equity Shares	1051.32
<b>E</b>	<b>Share Premium Account</b>	
	Before the Issue	1987.23
	After the Issue**	[*]

\*\*The present Issue has been authorized by the Board vide their resolution dated May 27, 2016 and by the Shareholders pursuant to their special resolution dated July 04, 2017.

\*\*Calculated on the basis of gross proceeds from the Issue.

## History of Equity Share Capital our Company

The history of the Equity Share capital of our Company is as set forth below:

Date of Allotment	No. of Equity Shares Allotted	No. of Equity Shares (Cumulative)	Face value per Equity Share (Rs.)	Issue price per Equity Share (Rs.)	Form of Consideration
04/10/1980	70	70	10	10	Cash
06/07/1981	29930	30000	10	10	Cash
30/10/1981	170000	200000	10	10	Cash
18/11/2006	300000	500000	10	10	Cash
31/03/2008	900000	1400000	10	10	Bonus
14/11/2008	1960000	3360000	10	10	Bonus
31/07/2009	1680000	5040000	10	10	Bonus
07/09/2009	50400000	50400000	1.00	-	Sub-Division of Equity Shares
10/09/2010	20732500	71132500	1	10	Cash
09/02/2016	7113250	7113250	10	-	Sub-Division of Equity Shares
10/01/2017	750000	7863250	10	27	Cash

Our Company has not made any allotment of Equity Shares for consideration other than cash in the one year immediately preceding the date of filing of this Preliminary Placement Document.

## MARKET PRICE INFORMATION

As of the date of this Preliminary Placement Document, 78,63,250 Equity Shares are issued, subscribed and paid up.

The following tables set forth the reported high, low and average closing prices of the Equity Shares and the number of Equity Shares traded on the days such high and low closing prices were recorded on BSE during the Fiscals 2017, 2016 and 2015

**A. The following tables set forth the reported high, low and average closing prices of the Equity Shares and the number of Equity Shares traded on the days such high and low closing prices were recorded on BSE during the Fiscal 2015, 2016 and 2017**

**BSE**

Fiscal Year	High (Rs.)	Date of High	Number of Equity Shares traded on date of high	Volume of Equity Shares traded on date of high (in Rs. Lakhs)	Low (Rs.)	Date of Low	Number of Equity Shares traded on date of low	Volume of Equity Shares traded on date of low (in Rs. Lakhs)	Average price for the period (Rs.)*
2017	34.05	20.10.2016	37533	12.56	20	01.08.2016	23765	5.42	24.94
2016	6.69	05.01.2016	2851697	181.40	2.51	03.06.2015	190399	5.35	3.52
2015	7.64	12.06.2014	2971022	207.12	2.75	30.12.2014	112370	3.18	4.25

Source: [www.bseindia.com](http://www.bseindia.com)

\* Average of the daily closing prices

Note: High and low prices are of the daily closing prices

**B. The following tables set forth the details of the Equity Shares traded and the volume of business transacted during the Fiscals 2015, 2016 and 2017**

**BSE**

Fiscal Year	Number of Equity Shares traded	Volume of Equity Shares traded (in Rs. Lakhs)
2017	1269484	320.78
2016	29622887	1986.96
2015	47885679	1808.47

Source: [www.bseindia.com](http://www.bseindia.com)

**C. The following tables set forth the reported monthly high, low and average of the closing prices of the Equity Shares and the total trading volume on Stock Exchanges during the six months immediately preceding the date of filing of this Preliminary Placement Document**

**BSE**

Month, Year	High (Rs.)	Date of High	Number traded on date of high	Volume traded on date of high (in Rs. Lakhs)	Low (Rs.)	Date of Low	Number traded on date of low	Volume traded on date of low (in Rs. Lakhs)	Average price for the period (Rs.)*
May 17	27.90	15.05.2017	32263	8.63	23.30	31.05.2017	5047	1.19	24.87
Apr 17	29.4	24.04.2017	41190	11.74	22.8	03.04.2017	14770	3.44	25.68
Mar 17	25.8	01.03.2017	10477	2.66	20.15	29.03.2017	18217	3.99	23.31
Feb 17	28.8	02.02.2017	13160	3.46	24.5	16.02.2017	11845	2.97	25.88
Jan 17	26.8	31.01.2017	9125	2.32	22.2	02.01.2017	15574	3.56	24.27
Dec 16	25	13.12.2016	10464	2.56	22	29.12.2016	2992	0.68	23.37

Source: [www.bseindia.com](http://www.bseindia.com)



\* Average of the daily closing prices

Note: High and low prices are of the daily closing prices.

**D. The following tables set forth the details of the Equity Shares traded and the volume of business transacted during the six months immediately preceding the date of filing of this Preliminary Placement Document**

**BSE**

Month, Year	Number of Equity Shares traded	Volume of Equity Shares traded (in Rs. Lakhs)
May 17	374194	94.97
Apr 17	452856	119.67
Mar 17	258624	60.05
Feb 17	211276	55.19
Jan 17	191729	46.51
Dec 16	141117	33.02

Source: [www.bseindia.com](http://www.bseindia.com)

**E. The following table sets forth the market price on the Stock Exchanges on May 30, 2016, the first working day following the approval of the Board of Directors for the Issue**

**BSE**

Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Number of Equity Shares traded	Volume of Equity Shares traded (in Rs. Lakhs)
25.15	25.50	24.75	24.85	24837	6.19

Source: [www.bseindia.com](http://www.bseindia.com)

## MAJOR SHAREHOLDERS

The summary statement showing holding of specified securities of our Company as of March 31, 2017, is herein below:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculate as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class e.g.: X	Class e.g.: Y	Total								
(A)	Promoter & Promoter Group	20	2639280			2639280	33.56	2639280		2639280	33.56	650000	32.80	2296849	87.03	210000	7.96	2639280
(B)	Public	17653	5223970			5223970	66.44	5223970		522397	66.44	1515000	67.20	518439	9.92	-	-	5223950
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>17673</b>	<b>7863250</b>			<b>7863250</b>	<b>100</b>	<b>7863250</b>		<b>7863250</b>	<b>100</b>	<b>2165000</b>	<b>100</b>	<b>2815288</b>	<b>35.80</b>	<b>210000</b>	<b>2.67</b>	<b>7863230</b>

The summary statement showing holding of specified securities of the Promoter and Promoter Group in our Company as of March 31, 2017, is herein below:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total Nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class e.g.: X	Class e.g.: Y	Total								
A	Table II- Statement showing shareholding pattern of the Promoter and Promoter Group																	
(1)	Indian																	
(a)	Individuals/Hindu undivided Family	20	2639280			2639280	33.56	2639280	-	2639280	33.56	650000	32.8	2296849	87.03	210000	7.96	2639280
(b)	Central Government/State Government (s)	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)		20	2639280			2639280	33.56	2639280	-	2639280	33.56	650000	32.8	2296849	87.03	210000	7.96	2639280
(2)	Foreign																	
(a)	Individuals (Non Resident Individuals/Foreign Individuals)	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2)	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-

	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)(A)(2)	20	2639280			2639280	33.56	2639280		2639280	33.56	650000	32.8	2296849	87.03	210000	7.96	2639280
<b>B</b>	Table III- Statement showing shareholding pattern of the Public Shareholder																	
(1)	Institutions																	
(a)	Mutual Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total(B)(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/State Government (s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total(B)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non Institutions																	
(a(i))	Individuals- i. Individual shareholders holding nominal share capital up to Rs. 2Lakh	17382	3676058	-	-	3676058	46.75	3676058	-	3676058	46.75	16500	36.82	18439	0.5	-	-	3676038
(a(ii))	Individuals- ii. Individual shareholders holding nominal share capital up to	17	1028672	-	-	1028672	13.08	1028672	-	1028672	13.08	1408500	24.3	500000	48.61	-	-	1028672
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Any Other (specify)	254	519240	-	-	519240	6.6	519240	-	519240	6.6	90000	6.08	0	0	-	-	519240
	<b>Sub Total (B)(3)</b>	17653	5223970	-	-	5223970	66.44	5223970	-	5223970	66.44	1515000	67.2	518439	9.92	-	-	5223950

	Total Public Shareholding (B)=(B)(1)+ (B)(2)+(B)(3)	17653	5223970	-	-	5223970	66.44	5223970	-	5223970	66.44	1515000	67.2	518439	9.92	-	-	5223950
C	Table IV- Statement showing shareholding pattern of the Non Promoter- Non Public Shareholder																	
(1)	Custodian/ DR Holder- Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI(share based Employee Benefit) Regulations ,2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non- Promoter- Non Public Shareholdin g (C)=(C)(1)+ (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C2)	17673	7863250	-	-	7863250	100	7863250		7863250	100	2165000	100	2815288	35.8	-	-	7863230
	Total (A+B+C)	17673	7863250	-	-	7863250	100	7863250		7863250	100	2165000	100	2815288	35.8	210000	2.67	7863230

## DIVIDENDS

The declaration and payment of dividends by our Company will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles and Companies Act. The recommendation, declaration and payment of dividends will depend on a number of factors, including but not limited to our Company's profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends.

The table below sets out the details of the dividends declared by our Company on its Equity Shares during the immediately preceding three Fiscals:

*(in Rs. Lakhs, except where stated otherwise)*

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Face value of Equity Shares ( <i>Rs. Per Equity Share</i> )	10	10	1
Dividend per share* ( <i>in Rs.</i> )	Nil	0.6	0.06
Total amount of dividend	Nil	42.68	42.68
Dividend rate (%)	Nil	6	6



## AUDITORS

Our statutory auditors are M/s Jayesh R Shah & Co., Chartered Accountants, who have audited the standalone and consolidated financial statements of our Company for the Fiscals 2017, 2016 and 2015, and are independent auditors with respect to our Company in accordance with the applicable guidelines issued by the ICAI.

M/s Jayesh R Shah & Co, Chartered Accountants, have also examined the Audited Financial Statements included in this Preliminary Placement Document and their reports on the Audited Financial Statements are also included herein.

## STATEMENT OF TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY (INCLUDING ITS RELEVANT SUBSIDIARIES AS APPLICABLE) AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To  
**The Board of Directors**  
**Veer Energy & Infrastructure Limited**  
Gazdar House, 629A, First Floor,  
J Shankar Sheth Road, Mumbai-400002

Dear Sirs,

**Subject: Statement of Possible Tax Benefits available to the Company and its Shareholders prepared in accordance with the requirement in Schedule VIII – Part A, Clause (VII)(L) of the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended.**

We hereby report that the enclosed annexure, prepared by **Veer Energy & Infrastructure Limited (CIN: L65990MH1980PLC023334)** (the “**Company**”) states the possible tax benefits available to the Company and to the shareholders of the Company under the provisions of the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act, 2016 (i.e. applicable for financial year 2016-17, relevant to the assessment year 2017-18) presently in force in India as on the signing date. The benefits as stated are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act failing which the stated benefits may be wholly or partially denied.

The benefits discussed in the enclosed Annexure are not exhaustive. Further, the presentation of this Statement of Possible Tax Benefits is the responsibility of the Management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications arising out of their participation in the proposed Qualified Institutional Placement of Equity Shares of the Company particularly in view of case specific nature of the tax consequences and the changing tax laws in India.

We do not express any opinion or provide any assurance as to whether:

- (a) The Company or its shareholders will continue to obtain these benefits in future; or
- (b) The conditions prescribed for availing the benefits have been / would be met.
- (c) The revenue authorities / courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company or any other person for any claims, liabilities or expenses whatsoever relating to this Statement.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax regulations stated above, as of date.

The enclosed Annexure is intended solely for your information and for the inclusion in the Preliminary Placement Document, Placement Document and any other material issued by the Company, in connection with the proposed Qualified Institutional Placement of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Jayesh R. Shah & Co.**  
Chartered Accountants  
Firm Registration No. 104182W  
Sd/-  
Jayesh Shah  
Proprietor  
Membership No. 033864  
Mumbai  
June 15, 2017

## **ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA**

The information provided below sets out the possible tax benefits available to the shareholders of the Company, in a summary manner only, under the direct tax laws presently in force in India (i.e. applicable for Financial Year ('FY') 2016-17 relevant to the assessment year ('AY') 2017-18). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the applicable regulations. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is linked to the fulfillment of such conditions.

*This is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force (as on date of this Report) in India. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.*

**INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT IN THE SHARES PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL.**

### **A. UNDER THE INCOME TAX ACT, 1961 ('THE ACT')**

#### **1. Levy of Income-tax**

Levy of income-tax and provisions under the Act are dependent on the residential status of the tax payer. The provisions relevant for determination of the residential status of a tax payer are summarized herein below:

##### **1.1 Residential status**

Under the Act, "Non-Resident" means a person who is not a resident in India.

##### **1.1.1 Residential status of an individual**

As per the provisions of the Act, an individual is considered to be a resident in India during any FY if he or she is present in India for:

- (a) a period or periods aggregating to 182 days or more in that FY; or
- (b) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or In the case of a citizen of India or a person of Indian origin living outside India who comes on a visit to India in any previous year, the limit of 60 days under point (b) above shall be read as 182 days.

In the case of a citizen of India who leaves India as member of the crew of an Indian ship in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

Further if an individual fulfills the conditions prescribed under Section 6(6) of the Act, he/she shall be regarded as 'Resident but not ordinarily resident'.

##### **1.1.2 Residential status of a Company**

A Company is resident in India if it is formed and incorporated under the Companies Act, 1956/2013 or the place of effective management, in that year, is situated in India.

For this purpose, the place of effective management (POEM) means a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made. For this purpose, the Central Board of Direct Taxes, Government of India (CBDT), for the benefit of the taxpayers as well as tax administration, is in the process of issuing a set of guiding principles to be followed in determination of POEM.

##### **1.1.3 Residential status of a Hindu undivided family ('HUF'), firm or AOP –**

A HUF, firm or other association of persons or every other person is resident in India except where, during that year, the control and management of its affairs is situated wholly outside India.

### **1.1.4 Residential status of every other person**

Every other person is resident in India in a FY, in every case, except where the control and management of his affairs is situated wholly outside India.

### **1.2 Scope of taxation**

In general, a person who is "resident" in India in a FY is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India, is subject to tax in India.

Income earned from the equity shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all categories of tax payers irrespective of their residential status unless specifically exempt (e.g. Dividend). However, a relief may be available under applicable Double Taxation Avoidance Agreement ('DTAA') to certain non-residents/ investors.

## **2 Benefits available to the Company:**

### **2.1 Taxability of Business Income:**

Business income of the Company shall be computed in accordance with the provisions contained in Sections 30 to 43D of the Act.

### **Special Tax Benefit available to the Company**

#### **2.1.1 Deduction of expenditure on Scientific Research**

Under Section 35(1)(i) and Section 35(1)(iv) of the Act, the Company is eligible for deduction in respect of any revenue and capital expenditure (other than expenditure on the acquisition of any land) respectively incurred on scientific research related to its business.

Under Section 35(2AB) of the Act, a company engaged in the business of manufacture or production of any article or thing, not being an article or thing specified in the list of the Eleventh Schedule to the Act, incurring any expenditure on scientific research (not being expenditure in the nature of cost of any land and building) on in-house research and development facility as approved by the Department of Scientific and Industrial Research ('DSIR'), is entitled to a deduction of two times of the expenditure so incurred.

### **General Tax Benefits available to the Company**

#### **2.1.2 Depreciation Allowance:**

Under Section 32(1) of the Act, the Company can claim depreciation allowance at the prescribed rates in respect of the following assets owned by it and used for the purpose of its business:

- Tangible assets being building, machinery, plant or furniture;
- Intangible assets being know-how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired on or after April 1, 1998.

Further, in case the assets are put to use for less than 180 days in the year of acquisition, then depreciation would be calculated at the rate of 50% of applicable rate. As per Section 32(1)(iia) of the Act, the Company is entitled to claim additional depreciation at the rate of 20% of the actual cost of any new machinery or plant acquired and installed after March 31, 2005. The first proviso to Section 32(1)(iia) of the Act entitles a company to claim additional depreciation at the rate of 35% where it sets up an undertaking for manufacture of any article or thing in any notified backward area in Andhra Pradesh or Bihar or Telangana or West Bengal, after April 1, 2015 but before April 1, 2020.

However, no deduction is allowed in respect of:

- (a) Ships and Aircraft;
- (b) Any machinery or plant which, before its installation by the company, was used either within or outside India by any other person;
- (c) Any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house;
- (d) Any office appliances or road transport vehicles; or

(e) Any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether as depreciation or otherwise) in computing the income under the head 'Profits and gains from business and profession' of any one FY.

Further, in case the assets are put to use for less than 180 days in the year of acquisition, then depreciation would be 50% of the cost of acquisition in the first year and the balance 50% would be available in the immediately succeeding previous year.

### **2.1.3 Investment in new plant and machinery:**

As per Section 32AC(1A) of the Act, the Company is entitled to a deduction of 15% of actual cost of 'new assets' acquired and installed in a FY subject to the fact that the aggregate amount of actual cost of such new assets should exceed Rs. 25 crores. No deduction under Section 32AC(1A) of the Act would be available from FY 2017-18 onwards.

Further, in case the new asset acquired or and installed is transferred by the Company, except in connection with amalgamation/demerger, within 5 years from the date of its installation, the amount of deduction allowed under Section 32AC (1A) of the Act, would be deemed to be income under the head 'Profits and Gains from business or profession' of the year in which such new asset is sold or otherwise transferred. This tax treatment is in addition to the taxability of gains arising on transfer of new asset.

The term 'new asset' means any new plant and machinery but does not include:

- Ships and Aircraft;
- Any machinery or plant which, before its installation by the company, was used either within or outside India by any other person;
- Any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house;
- Any office appliances including computers or computer software
- Any vehicle; or
- Any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether as depreciation or otherwise) in computing the income under the head 'Profits and gains from business and profession' of any one FY.

### **2.1.4 Carry forward of unabsorbed depreciation, unabsorbed business losses**

Under Section 32(2) of the Act, the Company can carry forward and set off unabsorbed depreciation of one FY and adjust against any source of income of subsequent years. Under Section 72 of the Act, unabsorbed business loss (other than from speculation), if any can be carried forward and set off against business profits of subsequent years (up to 8 consecutive years) subject to prescribed conditions. However, as per Section 80 of the Act, the unabsorbed business loss can be carried forward only when the return of income has been filed within the time prescribed under Section 139(1) of the Act.

Under Section 72A of the Act, pursuant to business re-organizations such as amalgamation, demerger, etc., the successor company shall be allowed to carry forward any accumulated tax losses/unabsorbed depreciation of the predecessor company subject to fulfilment of prescribed conditions.

### **2.1.5 Other Benefits**

1. As per the provisions of Section 35D of the Act, any specified preliminary expenditure incurred by an Indian company before the commencement of its business or after commencement of its business, in connection with the extension of an undertaking or setting up of a new unit, shall be allowed a deduction of an amount equivalent to one-fifth of such expenditure for each of the five successive financial years beginning with the financial year in which the extension of the undertaking is completed or the new unit commences production or operation. However, any expenditure in excess of 5% of the cost of the project or the capital employed in the business of the Company, shall be ignored for the purpose of computing the deduction allowable under section 35D of the Act.
2. As per the explanation to Section 37 of the Act, any expenditure incurred by the Company on the activities relating to Corporate Social Responsibility ('CSR') referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by the Company for the purpose of the business or profession. However, CSR expenditure which is of the nature described in provisions of Sections 30 to 36 of the Act shall be allowed as deduction under respective sections, subject to fulfilment of conditions, if any, specified therein.

### **2.1.6 Deduction for donations**

The Company is entitled to a deduction under Section 80G of the Act in respect of amounts contributed as donations to various charitable institutions and funds covered under that Section, in respect of such amounts and subject to the fulfillment of conditions prescribed therein. No deduction shall be allowed under Section 80G of the Act for any sum exceeding Rs.10,000 unless such sum is paid by any mode other than cash.

## **2.2 Taxability of Capital Gains**

**2.2.1** Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period for which they are held by a tax payer. A security (other than a unit) listed in a recognized stock exchange in India or units of the Unit Trust of India established under the Unit Trust of India Act, 1963 or a unit of an equity oriented fund or a zero coupon bond are considered as long-term capital assets if they are held for a period of more than 12 months immediately preceding the date of their transfer. Consequently, capital gains arising on sale of these assets are considered as 'long-term capital gains' or LTCG. Capital gains arising on sale of these assets held for a period of 12 months or less are considered as 'short term capital gains' or STCG.

In case of a share of a Company (not being a share listed in a recognized stock exchange in India), it shall be considered as long-term capital asset if it has been held by VEIL for more than 24 months immediately preceding the date of its transfer.

**2.2.2** As per Section 10(38) of the Act, capital gains arising from transfer of a long-term capital asset being an equity share in the Company or an unit of an equity oriented fund, where the transaction of sale is chargeable to Securities Transaction Tax ('STT') or in case the sale is transacted through a recognized stock exchange located in any International Financial Services Center (IFSC) and where the consideration for such transaction is paid or payable in foreign currency, shall be exempt from tax in the hands of the Company.

For this purpose, 'Equity oriented fund' means a fund –

- i) where the investible funds are invested by way of equity shares in the domestic companies to the extent of more than 65% of the total proceeds of such funds; and
- ii) which has been set up under a scheme of a Mutual fund specified under Section 10(23D) of the Act.

However, the long-term capital gains arising on sale of share or units referred above shall not be reduced while calculating the book profit under the provisions of Section 115JB of the Act. In other words, such book profit shall include the long-term capital gain as referred to in Section 10(38) of the Act and the Company will be required to pay MAT @ 18.5% (9% in the case of an assessee being a unit located in an IFSC) (increased by surcharge and cesses as applicable) on such book profit.

**2.2.3** Section 48 of the Act, (which prescribes the mode of computation of capital gains) provides for deduction of cost of acquisition / improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains.

However, in respect of long-term capital gains (as defined above), a deduction of indexed cost of acquisition / improvement is available. Indexed cost of acquisition means an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index (CII) for the year in which the asset is transferred bears to the CII for the first year in which the asset was held by the taxpayer or for the year beginning on April 1, 1981, whichever is later. In other words, indexed cost of acquisition is computed as under:

Cost of acquisition (x) CII of the FY in which the asset is transferred

CII of the FY in which the asset was first held by the tax payer or for the year beginning on April 1, 1981 whichever is later.

**2.2.4** As per the provisions of Section 112 of the Act, long-term capital gains to the extent not exempt under Section 10(38) of the Act would be subject to tax in the hands of the Company at the rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess).

However, as per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting from transfer of listed securities (other than a unit) to the extent not exempt under Section 10(38) of the Act, calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at the concessional rate of 10% (without indexation benefit) (plus applicable surcharge, education cess and secondary & higher education cess).

**2.2.5** As per the provisions of Section 111A of the Act, short-term capital gains on sale of equity shares or units of an equity oriented fund, where the transaction of sale is chargeable to STT or in case the sale is transacted through a recognized stock exchange located in any International Financial Services Center and where the consideration for such transaction is paid or payable in foreign currency, shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess). Short-term capital gains arising from transfer of shares, other than those covered by Section 111A of the Act, would be subject to tax at the normal rate as applicable to the Company which is presently 30% (plus surcharge, education cess and secondary & higher education cess as may be applicable).

**2.2.6** Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising to the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term (i.e. redeemable after 3 years) specified assets, being bonds (as presently notified) issued by:

- i) National Highway Authority of India constituted under Section 3 of The National Highways Authority of India Act, 1988; or
- ii) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any FY cannot however exceed Rs.5,000,000. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of their acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion. As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

**2.2.7** Under Section 54EE of the Act and subject to the conditions specified therein, long-term capital gains arising to any assessee would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term specified asset, which mean unit or units, issued before April 1, 2019 of such fund as may be notified by the Central Government in this behalf, subject to investment ceiling of Rs. 50 lakhs.

**2.2.8** As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

- where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.
- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains / (losses) and taxed accordingly.

**2.2.9** Under Section 70(2) of the Act, the Company can set off short term capital loss against other short term capital gain or long term capital gain. Under Section 70(3) of the Act, the Company can set off long term capital loss against other long term capital gain alone. Under Section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off against long term capital gains only, of subsequent years (upto 8 years). However as per Section 80 of the Act, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under Section 139(1) of the Act.

### **2.3 Taxability of Dividends**

**2.3.1** As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax, provided that such dividend is subject to Dividend Distribution Tax (DDT) in the hands of dividend declaring company. The dividend referred to in this context includes distribution by a Company out of accumulated profits.

**2.3.2** The domestic company distributing dividends will be liable to pay DDT at the rate of 15% on gross basis on the amount of dividend payable (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon). The amount of distribution of dividend to shareholders has to be grossed up for the purpose of DDT, so that the shareholders receive the net distributed profits, in full. Thus, the effective rate of DDT would be 20.36% of the amount of dividend declared, distributed or paid by the Company.



In calculating the amount of dividend on which DDT is payable, dividends (if any, received by the Company during the assessment year and subject to fulfillment of the conditions), shall be reduced by:

- dividends received by the domestic company from a subsidiary of the Company (a company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity shares capital of the company) & which has been subjected to DDT; or
- where such subsidiary is a foreign company, the tax is payable under Section 115BBD of the Act by the domestic company.

As per the proviso to this Section, the same amount of dividend would not be taken into account for reduction more than once.

**2.3.3** As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

**2.3.4** Under Section 14A of the Act, no deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax including dividends exempt under Section 10(34) of the Act. The expenditure relatable to 'exempt income' needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income-tax Rules, 1962 ('the Rules').

#### **2.4 Availing the benefit of Double Taxation Avoidance Agreement (DTAA)**

Under the provisions of Section 90 of the Act, the Company shall be eligible for claiming credit of taxes doubly paid by it on income, both in India and in the foreign countries with which the Government of India has entered into DTAA. The tax credit shall be available as per the provisions of the Act or the relevant DTAA, whichever are more beneficial to the taxpayer.

Section 91 of the Act provides for unilateral relief in respect of taxes paid on incomes in the foreign countries with which no DTAA exists. Under the provisions of said Section, the Company shall be entitled to deduction from the Indian income-tax of sum calculated on such doubly taxed income at the Indian rate of tax or rate of tax in the foreign country, whichever is lower.

#### **2.5 Corporate Tax Rate and Minimum Alternative Tax ('MAT')**

**2.5.1** The tax rate applicable to the CFSL for the FY ended March 31, 2017 is 29% (in case turnover is upto Rs. 5 crore) or 30% (in case turnover exceeds Rs. 5 crore) on taxable income under the normal provision of the Act or 18.5% on book profits under MAT, whichever is higher. A surcharge on income tax of 7% is case of domestic company having a total income exceeding Rs. one crore, but not exceeding Rs. Ten crore and 12% in case of domestic company having a total income exceeding Rs. ten crore. Education cess of 2% and Secondary & Higher Education cess of 1% is levied on the amount of tax and surcharge.

**2.5.2** As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for MAT paid in the current year against the normal income-tax payable in subsequent years. MAT credit is allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

### **3 Benefits available to the Shareholders:**

#### **3.1 Taxability of Dividends**

**3.1.1** Under Section 10(34) of the Act, income by way of dividends (whether interim or final) referred to in Section 115-O of Act received on the equity shares is exempt from income-tax in the hands of shareholders. W.e.f. FY 2016-17, income by way of dividend (in aggregate) in excess of Rs. 10 lakh shall be chargeable to tax in the case of an individual, Hindu undivided family (HUF) or a firm who is resident in India, at the rate of 10%. The taxation of dividend income in excess shall be on gross basis.

**3.1.2** Under Section 115E of the Act, where the dividend income is received by a Non-Resident Indian ('NRI') (other than dividend exempt under Section 10(34) of the Act), then the same is taxable at the rate of 20% (increased by surcharge and cesses as applicable) provided the investment has been made in convertible foreign exchange. NRI means an individual being a Citizen of India or a Person of Indian origin who is a non-resident. The NRI may, by election, choose to be governed by this Section which provides for concessional rate of tax, else taxation would be computed by applying normal provisions.

**3.1.3** Where such dividend is received by a Company, such dividend is to be excluded while computing MAT liability. However, it is pertinent to note that Section 14A of the Act restricts claims for deduction of expenses incurred in relation to exempt income. Thus, any expense incurred to earn the exempt dividend income is not allowable expenditure in accordance with Section 14A of the Act and rules thereunder.

**3.1.4** As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within the said three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt. 'Record date' means such date as may be fixed by a Company for the purposes of dividend distribution.

**3.1.5** As per section 56(2)(vii) of the Act, where an individual or Hindu Undivided Family received the shares a) without consideration where the aggregate fair market value of such shares exceeded Rs. 50,000 or b) for a consideration which was less than the aggregate fair market value of such shares by Rs. 50,000, then the fair market value of such shares shall be treated as 'income from other sources' in the hands of the recipient individual or Hindu Undivided Family. This provision shall not apply to any shares received from any relative (defined under the Act) or on the occasion of the marriage of the individual or under a will and so on.

## **3.2 Taxability of Capital Gains**

**3.2.1** Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period for which they are held by a tax payer. A security (other than a unit) listed in a recognized stock exchange in India or units of the Unit Trust of India established under the Unit Trust of India Act, 1963 or a unit of an equity oriented fund or a zero coupon bond are considered as long-term capital assets if they are held for a period more than 12 months immediately preceding date of their transfer. Consequently, capital gains arising on sale of these assets are considered as 'long-term capital gains'. Capital gains arising on sale of these assets held for a period of 12 months or less are considered as 'short term capital gains'.

**3.2.2** As per Section 10(38) of the Act, capital gains arising from transfer of a long-term capital asset being an equity share in the Company or an unit of an equity oriented fund, where the transaction of sale is chargeable to Securities Transaction Tax ('STT') or in case the sale is transacted through a recognized stock exchange located in any International Financial Services Center and where the consideration for such transaction is paid or payable in foreign currency, shall be exempt from tax in the hands of the Company.

For this purpose, 'Equity oriented fund' means a fund –

- i) Where the investible funds are invested by way of equity shares in the domestic companies to the extent of more than 65% of the total proceeds of such funds; and
- ii) Which has been set up under a scheme of a Mutual fund specified under Section 10(23D) of the Act. However, the long-term capital gains arising on sale of share or units referred above shall not be reduced while calculating the book profit under the provisions of Section 115JB of the Act. In other words, such book profit shall include the long-term capital gain as referred to in Section 10(38) of the Act and the Company will be required to pay MAT @ 18.5% (plus applicable surcharge, education cess and secondary & higher education cess) on such book profit.

**3.2.3** Section 48 of the Act, (which prescribes the mode of computation of capital gains) provides for deduction of cost of acquisition / improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains (as defined above), a deduction of indexed cost of acquisition / improvement is available. Indexed cost of acquisition means an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index (CII) for the year in which the asset is transferred bears to the CII for the first year in which the asset was held by the taxpayer or for the year beginning on April 1, 1981, whichever is later. In other words, indexed cost of acquisition is computed as under:

Cost of acquisition (x) CII of the FY in which the asset is transferred

CII of the FY in which the asset was first held by the tax payer or for the year beginning on April 1, 1981 whichever is later.

**3.2.4** As per the provisions of Section 112 of the Act, long-term capital gains to the extent not exempt under Section 10(38) of the Act would be subject to tax in the hands of the Company at the rate of 20% (increased by surcharge and cesses as applicable) However, as per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting from transfer of listed securities (other than a unit) to the extent not exempt under Section 10(38) of the Act, calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at the concessional rate of 10% (without indexation benefit) (increased by surcharge and cesses as applicable).

**3.2.5** As per the provisions of Section 111A of the Act, short-term capital gains on sale of equity shares or units of an equity oriented fund, where the transaction of sale is chargeable to STT or in case the sale is transacted through a recognized stock exchange located in any International Financial Services Center and where the consideration for such transaction is paid or payable in foreign currency, shall be subject to tax at a rate of 15% (increased by surcharge and cesses as applicable). Short-term capital gains arising from transfer of shares, other than those covered by Section 111A of the Act, would be subject to tax at the normal rate as applicable to the Company which is 30% (increased by surcharge and cesses as applicable).

**3.2.6** In case of a NRI, any LTCG arising from transfer of shares (not exempt under Section 10(38) of the Act) shall be taxed at a concessional rate of 10% (increased by surcharge and cesses as applicable) without the indexation benefit but with protection against foreign exchange fluctuation under the first proviso to Section 48 of the act, subject to satisfaction of certain conditions. The NRI may, by election, choose to be governed by this Section which provides for concessional rate of tax, else taxation would be computed by applying normal provisions.

**3.2.7** Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising to the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term (i.e. redeemable after 3 years) specified assets, being bonds issued by:

- i) National Highway Authority of India constituted under Section 3 of The National Highways Authority of India Act, 1988; or
- ii) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.

The investment made in such bonds during any FY cannot exceed Rs.5,000,000.

If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of its acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion. As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

**3.2.8** Under Section 54EE of the Act and subject to the conditions specified therein, long-term capital gains arising to any assessee would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term specified asset, which mean unit or units, issued before April 1, 2019 of such fund as may be notified by the Central Government in this behalf, subject to investment ceiling of Rs. 50 lakhs.

**3.2.9** Under Section 54F of the Act and subject to the conditions specified therein, LTCG arising to an individual or HUF from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house property, in India, within three years from the date of transfer.

**3.2.10** Under Section 70(2) of the Act, the Company can set off short term capital loss against other short term capital gain or long term capital gain. Under Section 70(3) of the Act, the Company can set off long term capital loss against other long term capital gain alone.

Under Section 74 of the Act, the unabsorbed short term capital loss can be carried forward and set off against capital gains (whether short term or long term) of subsequent years (upto 8 years). Unabsorbed long term capital loss can be carried forward and set off against long term capital gains only, of subsequent years (upto 8 years). However as per Section 80 of the Act, the unabsorbed capital loss can be carried forward only when the return of income has been filed within the time prescribed under Section 139(1) of the Act.

## **4 Benefits available to the Foreign Institutional Investors ('FII's):**

### **4.1.1 Taxability of Dividends**

**4.1.2** Under Section 10(34) of the Act, income by way of dividends (whether interim or final) referred to in Section 115-O of Act received on the equity shares is exempt from income-tax in the hands of shareholders.

**4.1.3** Where such dividend is received by a Company, such dividend is to be excluded while computing MAT liability. However, it is pertinent to note that Section 14A of the Act restricts claims for deduction of expenses incurred in relation to exempt income. Thus, any expense incurred to earn the exempt dividend income is not allowable expenditure in accordance with Section 14A of the Act and rules thereunder.

**4.1.4** As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within the said three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt. 'Record date' means such date as may be fixed by a Company for the purposes of dividend distribution.

### **4.2 Taxability of Capital Gains**

**4.2.1** Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period for which they are held by a tax payer. A security (other than a unit) listed in a recognized stock exchange in India or units of the Unit Trust of India established under the Unit Trust of India Act, 1963 or a unit of an equity oriented fund or a zero coupon bond are considered as long-term capital assets if they are held for a period more than 12 months immediately preceding date of their transfer. Consequently, capital gains arising on sale of these assets are considered as 'long-term capital gains'. Capital gains arising on sale of these assets held for a period of 12 months or less are considered as 'short term capital gains'.

**4.2.2** Section 2(14) of the Act provides that any security including equity shares held by a FII who has invested in such securities in accordance with the regulations made under Securities & Exchange Board of India Act, 1992 would be treated as a capital asset so that any income arising from transfer of such security by the FII would be treated in the nature of capital gains and not in the nature of income from business.

**4.2.3** Under Section 10(38) of the Act, LTCG arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognized Stock Exchange of India and is liable to STT.

**4.2.4** Under Section 115AD(1)(ii) of the Act, income by way of STCG arising to the FII on transfer of shares shall be chargeable at a rate of 30%, where such transactions are not subjected to STT, and at the rate of 15% if such transaction of sale is entered on a recognized stock exchange in India and is chargeable to STT. The above rates are to be increased by surcharge at the rate of 2% where income of the FII shall be between Rs. 1 – 10 crores and at the rate of 5% for income beyond Rs. 10 crores. Education cess of 2% and Secondary & Higher Education cess of 1% is levied on the amount of tax and surcharge.

**4.2.5** Under Section 115AD(1)(iii) of the Act, income by way of LTCG arising from the transfer of shares (in cases not covered under Section 10(38) of the Act) held in the Company will be taxable at the rate of 10% (increased by surcharge and cesses as applicable). The benefits of indexation of cost and of foreign currency fluctuations are not available to FIIs.

**4.2.6** Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising to the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term (i.e. redeemable after 3 years) specified assets, being bonds issued by:

i) National Highway Authority of India constituted under Section 3 of The National Highways Authority of India Act, 1988; or

ii) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956. The investment made in such bonds during any FY cannot exceed Rs.5,000,000.

If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of its acquisition, the amount of capital gains so exempt shall be chargeable to tax during the year of such transfer or conversion. As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

**4.2.7** Under Section 54EE of the Act and subject to the conditions specified therein, long-term capital gains arising to any assessee would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term specified asset, which mean unit or units, issued before April 1, 2019 of such fund as may be notified by the Central Government in this behalf, subject to investment ceiling of Rs. 50 lakhs.

### **4.3 Availing the benefit of DTAA**

**4.3.1** In respect of FIIs, the tax rates and consequent taxation mentioned above will be further subject to any benefits, if any, available under the DTAA between India and the country of residence of the FII. As per Section 90(2) of the Act, the provisions of the Act or the DTAA, whichever are more beneficial to the taxpayer, would be applicable. Thus, FIIs can opt to be governed by the provisions of the Act or the applicable tax treaty, whichever is more beneficial.

**4.3.2** As per section 90(4) of the Act, the FIIs shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of their being a resident in any country outside India, is obtained by them from the government of that country i.e. Tax Residency Certificate. As per section 90(5) of the Act, the FIIs shall be required to provide such other information, as may be notified.

### **4.4 Deduction of Tax At-Source**

As per Section 196D of the Act, no tax is to be deducted from any income, by way of capital gains (short term or long-term) arising from the transfer of securities referred to in section 115AD, payable to a FII.

### **5 Benefits available to Venture Capital Funds / Companies:**

**5.1** Under Section 10(23FB) of the Act, any income of Venture Capital Companies or Venture Capital Funds registered with the Securities and Exchange Board of India, from investment in a venture capital undertaking would be exempt from income tax, subject to conditions specified therein. 'Venture capital undertaking' means:

- A venture capital undertaking as defined in clause (n) of the regulation 2 of Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 or
- A venture capital undertaking as defined in clause (aa) of sub regulation (1) of regulation 2 of Alternate Investment Fund Regulations.

**5.2** According to Section 115U of the Act, any income accruing or arising to or received by a person from his investment in venture capital companies/ funds would be taxable in his hands in the same manner as if it were the income accruing/ arising/ received by such person had the investments been made directly in the venture capital undertaking.

**5.3** Further, as per Section 115U(5) of the Act, the income accruing or arising to or received by the Venture Capital Company/ Funds from investments made in a Venture Capital Undertaking if not paid or credited to a person (who has made investments in a Venture Capital Company/ Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

### **6 Benefits available to Investment Funds**

**6.1** Under Section 10(23FBA) of the Act, any income except for income under the head "Profits and Gains of Business/ Profession" of Investment fund, registered as Category-I or category-II Alternative Investment Fund under the Securities and Exchange Board of India (Alternate Investment Fund) regulations, 2012 would be exempt from income tax, subject to conditions specified therein.

**6.2** According to Section 115UB of the Act, any income accruing or arising to or received by a person from his investment in investment funds would be taxable in his hands in the same manner as if it were the income accruing/ arising/ received by such person had the investments been made directly in the company.

**6.3** Further, as per Section 115UB(6) of the Act, the income accruing or arising to or received by the Investment Fund if not paid or credited to a person (who has made investments in an Investment Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

### **7 Benefits available to the Mutual Funds:**

Under Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the Reserve Bank of India, is exempt from tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

### **B. UNDER THE WEALTH TAX ACT, 1957**

The Finance Act, 2015 has abolished the levy of wealth tax under the Wealth Tax Act, 1957 with effect from 1 April 2016.

### **C. UNDER THE GIFT TAX ACT, 1958**

Gift made after 1 October 1998 is not liable for any gift tax, and hence, gift of shares of the company would not be liable for any gift tax.

#### ***Notes:***

1. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Shares.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement states the possible tax benefits available to the Company and to the shareholders of the Company under the provisions of the Income-tax Act, 1961 ('the Act') as amended by the Finance Act, 2016 (i.e. applicable for financial year 2016-17, relevant to the assessment year 2017-18) presently in force in India as on the signing date. The benefits as stated are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act failing which the stated benefits may be wholly or partially denied.
4. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications arising out of their participation in the proposed Qualified Institutional Placement of Equity Shares of the Company particularly in view of case specific nature of the tax consequences and the changing tax laws in India.
5. In respect of non-residents, the tax rates mentioned above would be further subject to specific benefits, if any, available under the relevant Double Taxation Avoidance Agreement, between India and the Country in which the non-resident has tax domicile.
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.



## RELATED PARTY TRANSACTIONS

For details of the related party transactions entered into during the immediately preceding three fiscals, in accordance with the requirement under applicable accounting standards issued by the ICAI, see the section titled “Financial Statements”.

*The following selected financial information is extracted from and should be read in conjunction with, the Audited Consolidated Financial Statements prepared in accordance with Indian GAAP, included elsewhere in this Preliminary Placement Document. You should refer to the section titled “Management's Discussion and Analysis of Financial Condition and Results of Operations”, for further discussion and analysis of the financial statements of our Company.*

*The financial information included in this Preliminary Placement Document does not reflect our Company's results of operations, financial position and cash flows for the future and its past operating results are no guarantee of its future operating performance.*



**Summary Consolidated and Standalone Balance Sheet as at March 31, 2017, 2016 and 2015**

(Rupees in lakhs)

<b>Particulars</b>	<b>As At 31 March 2017 Standalone</b>	<b>As At 31 March 2016 Consolidated</b>	<b>As At 31 March 2015 Consolidated</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	786.32	711.33	711.33
Reserves & Surplus	4092.23	3850.46	3648.24
Money received against share warrants	146.14	-	-
	<b>5024.69</b>	<b>4561.79</b>	<b>4359.57</b>
Minority Interest			
<b>Non- current Liabilities</b>			
Long term Borrowings	70.24	234.10	4226.97
Deferred Tax Liabilities (Net)	274.65	311.65	320.00
Other Long-term Liabilities	50.00	300.00	0.00
Long-term Provisions	25.06	20.97	14.10
	<b>419.95</b>	<b>866.72</b>	<b>4561.07</b>
<b>Current Liabilities</b>			
Short-term Borrowings	564.12	610.75	481.63
Trade Payables	95.41	631.83	3143.34
Other Current Liabilities	7.85	426.59	58.50
Short-term Provisions	21.35	86.90	184.46
	<b>688.73</b>	<b>1756.07</b>	<b>3867.93</b>
<b>Total</b>	<b>6133.37</b>	<b>7184.58</b>	<b>12788.57</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	1581.61	1571.62	1555.73
Intangible Assets	-	-	-
Capital work-in-Progress	-	-	-
Intangible assets under development			
Non-current Investments	0.30	2932.14	0.30
Long-term Loans and Advances	1392.98	150.45	150.45
Other non-current Assets	-	-	30.06
	<b>2974.89</b>	<b>4654.21</b>	<b>1736.54</b>
<b>Current Assets</b>			
Current Investment	3.34	3.20	24.86
Inventories	2247.73	1753.18	9413.88
Trade Receivables	499.85	446.78	734.99
Cash and Bank Balances	7.88	5.58	3.42
Short-Term Loans and Advances	399.68	321.63	874.88
Other Current Assets			-
	<b>3158.48</b>	<b>2530.37</b>	<b>11052.03</b>
<b>Total</b>	<b>6133.37</b>	<b>7184.58</b>	<b>12788.57</b>

**Summary Consolidated and Standalone Statement of Profit and Loss for the year ended March 31, 2017, 2016 and 2015**

(Rupees in lakhs)

Particulars	For the year ended March 31, 2017 Standalone	For the year ended March 31, 2016 Consolidated	For the year ended March 31, 2015 Consolidated
Revenue from Operations	1771.75	5285.00	4773.13
Other Income	118.60	8.20	18.60
<b>Total Revenue</b>	<b>1890.35</b>	<b>5293.20</b>	<b>4791.74</b>
<b>Expenses:</b>			
Cost of material consumed	-	-	-
Purchase of Stock in Trade	1892.97	4291.28	10923.55
Changes in inventories of finished goods, work-in progress and Stock in Trade	(494.55)	27.73	(6922.00)
Employee Benefit Expenses	110.16	106.60	93.01
Finance Cost	47.94	309.81	63.04
Depreciation and amortization expense	100.50	210.25	103.14
Other expenses	128.52	220.46	323.42
<b>Total Expenses</b>	<b>1785.54</b>	<b>5166.12</b>	<b>4584.16</b>
Profit before exceptional and extraordinary items and tax	104.81	127.08	207.57
Exceptional Items	-	-	-
<b>Profit Before Tax</b>	<b>104.81</b>	<b>127.08</b>	<b>207.57</b>
<b>Tax Expense:</b>			
(1) Current Tax	21.35	35.54	55.45
(2) Deferred Tax	(37.00)	(8.34)	(16.64)
	<b>(15.65)</b>	<b>27.20</b>	<b>38.81</b>
Profit/(Loss) from the period from continuing operations	120.46	99.88	168.75
Profit/(Loss) from discontinuing operations	-	-	-
Tax expense of discontinuing operations	-	-	-
Profit/(Loss) from discontinuing operations	-	-	-
<b>Profit/(Loss) for the period</b>	<b>120.46</b>	<b>99.88</b>	<b>168.75</b>
Earning Per equity share of Rs. 10/- face value			
(1) Basic	1.53	1.40	0.24
(2) Diluted	1.20	1.40	0.24

**Summary Consolidated and Standalone Statement Cash Flow Statement for the year ended March 31, 2017, 2016 and 2015**

(Rupees in lakhs)

	Particulars	For the year ended March 31, 2017 Standalone	For the year ended March 31, 2016 Consolidated	For the year ended March 31, 2015 Consolidated
<b>A</b>	<b><u>Cash flow from Operating Activities</u></b>			
	Net Profit before Tax	152.75	127.08	207.27
	Adjustments for:			
	Depreciation/Amortisation	100.50	210.25	103.14
	Share Issue Expenses written off	(6.19)	-	6.20
	Right Issue Expenses written off	-	-	-
	Prior year adjustments	-	4.92	-
	Other Income	(118.60)	(8.20)	(18.60)
	<b>Operating Profit before Working Capital Changes</b>	<b>128.46</b>	<b>334.04</b>	<b>298</b>
	Adjustments for:			
	(Increase)/Decrease in Long term loans and advances	(1240.53)	-	34.91
	(Increase)/Decrease in Other non-current assets	-	29.86	(29.96)
	(Increase)/Decrease in Inventories	(494.55)	7660.69	(6922)
	(Increase)/Decrease in Trade Receivable	(53.07)	224.22	2246.01
	(Increase)/Decrease in short term loans and Advances	(80.05)	550.25	(140.13)
	(Increase)/Decrease in Other Current Assets	-	(1788.46)	-
	(Increase)/Decrease in Current Investments	(0.14)	21.66	53.28
	Increase/(Decrease) in other long term liabilities	(250.00)	100.00	-
	Increase/(Decrease) in long term provisions	4.09	6.87	1.88
	Increase/(Decrease) in Short term borrowing	(155.38)	329.12	184.68
	Increase/(Decrease) in Trade Payables	(536.42)	(1440.04)	816.89
	Increase/(Decrease) in Other Current Liabilities	(418.74)	527.15	(10.49)
	Increase/(Decrease) in Short Term Provisions	(65.55)	(97.55)	57.07
	Cash generated from Operations	(3290.35)	6123.76	(4077.21)
	Current and Deferred Tax Adjustments	21.35	35.54	55.45
	<b>Net Cash (used in)/ from Operating Activities</b>	<b>(3183.25)</b>	<b>6088.22</b>	<b>(3834.66)</b>
<b>B</b>	<b><u>Cash flow from Investing Activities</u></b>			
	Sale/(Purchase) of Fixed Assets	(110.48)	(5625.39)	1.44
	Sale/(Purchase) of Non-Current Investment	2931.85	-	-
	Increase/(Decrease) in Share Capital	75.00	-	-
	Increase/(Decrease) in Share Warrant	146.14	-	-
	Increase/(Decrease) in Reserves	127.50	-	-
	Increase/(Decrease) in Long term borrowing	(55.11)	(185.55)	3864.08
	Loss on Sale of Leased Assets	-	-	-
	Interest & Other Income	118.60	8.20	18.60
	<b>Net Cash (used in)/ from Investing Activities</b>	<b>3233.49</b>	<b>(5802.74)</b>	<b>3884.12</b>
<b>C</b>	<b><u>Cash flow from Financial Activities</u></b>			
	Dividend Paid	-	51.37	51.21
	Interest Paid	47.94	-	-
	<b>Net Cash (used in)/from financing Activities</b>	<b>47.94</b>	<b>51.37</b>	<b>51.21</b>
	<b>Net changes in cash &amp; cash equivalents (A+B+C)</b>	<b>2.30</b>	<b>234.12</b>	<b>(1.75)</b>
	<b>Cash &amp; cash equivalents-Opening Balance</b>	<b>5.58</b>	<b>3.42</b>	<b>5.17</b>
	<b>Cash &amp; cash equivalents-Closing Balance</b>	<b>7.88</b>	<b>237.54</b>	<b>3.42</b>

## INDEPENDENT AUDITORS REPORT

To,  
The Members of  
**VEER ENERGY & INFRASTRUCTURE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Veer Energy & Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors' is responsible for the matters in Section 134(5) of the Companies Act, 2013("the act") with respect to the preparation 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 Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken in to 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 audit opinion on the financial statement.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- ii) As required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), we give in the Annexure-B a Report on the Internal Financial Controls over financial reporting.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as 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. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act;
  - f. with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditors) Rules, 2014 in our opinion and to best of our information and according to the explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 47of the financial statements;
    - ii The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amount which required to be transferred to the Investor Education and Protector Fund by the Company.
    - 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 books of account maintained by the Company and as produced to us by the Management - Refer Note [51].

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**For Jayesh R. Shah & Co**  
Chartered Accountants  
Firm Registration No. 104182W



**Jayesh Shah**  
Proprietor  
Membership No. 033864  
Place: Mumbai  
Date: 15th May, 2017



**Annexure-A referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of Independent Auditors Report of even date.**

1) (i) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.

(ii) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.

(iii) 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 immoveable properties are held in the name of the Company

2) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable, discrepancies noticed on physical verification of inventories as compared to book records have been properly dealt with in the books of accounts..

3) As per the information furnished, the Company has granted unsecured interest free loans to its subsidiary covered in the Register, maintained under Section 189 of the Companies Act, 2013;

(i) From the verifications of the records, In my opinion the terms and conditions for the grant of such loans are not prejudicial to the interest of the Company.

(ii) The schedule of repayment of principal and payment of interest is as stipulated and regular.

(iii) There is no amount is overdue as per the terms of such loans.

4) According to the information and explanations given to us, Company has not made any loans, investments or furnished any guarantee and security for which provisions of section 185 and section 186 of the Companies Act., 2013 need to comply.

5) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.

6) As per the information provided, the Company is not covered under Section 148 of the Companies Act, 2013, hence not required to maintain cost records.

7) (i) According to the information and explanation given to us and the records examined by me, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31st March, 2017 for a period of more than six months from the date they become payable.

(ii) According to the records of the Company and information and explanation given to me and record verified by me the outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax, service tax, cess which have not been deposited, with the appropriate authorities:



Sr. No	Name of the Statute	Nature of Dues	Amt Due	Period to which the amt. relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	126913/-	A.Y.2010-11	Appeal order passed and payable, demand notice not yet received.
2	Income Tax Act, 1961	Income tax	447270/-	A.Y.2010-11	Appeal withdrawn from Tribunal hence payable but not paid.
3	Income Tax Ad, 1961	Income tax	284167201-	A.Y.2014-15	Pending Appeal before CIT.

- 8) Based on our audit procedures and the information and explanations given by the management, I am of the opinion that the Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
- 9) I have verified the records of the Company, and of the opinion that the company has not raised any money by way of public offer (including debt instruments). The amount of term loan which company have received were applied for the purpose for which those are raised.
- 10) On the basis of my examination and according to the information and explanations given to me, no material fraud, on or by the Company, has been noticed or reported during the year under audit.
- 11) From verification of records, in my opinion, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) From the verifications of the records I am of the opinion that the Company is not a Nidhi Company hence clause 3(xii) is not applicable.
- 13) As per the verification of the records, I am are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable *accounting* standards;
- 14) I have verified the records of the Company, and of the opinion that the company has made preferential allotment of fully paid equity shares and also partly paid share warrants, In my opinion the requirements of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been utilized for the purpose for which it was raised.
- 15) As per the information provided by the Company and from verification of accounts and data, In my opinion, the company has not entered into any non-cash transactions with directors or persons connected with them.
- 16) I have been informed that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Jayesh R. Shah & Co**  
Chartered Accountants  
Firm Registration No. 104182W



**Jayesh Shah**  
Proprietor  
Membership No. 033864  
Place: Mumbai  
Date: 15th May, 2017





Annexure-B referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of Independent Auditors Report of even date.

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

I have audited the internal financial controls over financial reporting of Veer Energy & Infrastructure Limited ("the Company") as of March 31, 2017 in conjunction with my audit of the standalone 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". 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**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my 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, both 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 I/ 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for my 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 inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In my 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 March 31, 2017, based on "the internal control over financial reporting criteria established by the Company - commensurate with the size of the company and nature of its business - 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 Jayesh R. Shah & Co**  
Chartered Accountants  
Firm Registration No. 104182W



**Jayesh Shah**  
Proprietor  
Membership No. 033864  
Place: Mumbai  
Date: 15th May, 2017



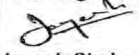
**VEER ENERGY & INFRASTRUCTURE LIMITED**  
Balance Sheet as at 31st March, 2017

Particulars	Note No	As at 31/03/2017	As at 31/03/2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	7,86,32,500	7,11,32,500
(b) Reserves and Surplus	3	40,92,22,675	38,50,45,926
(c) Money received against share warrants	4	1,46,13,750	-
<b>(2) Share application money pending allotment</b>	5	-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	70,24,443	1,25,35,302
(b) Deferred tax liabilities (net)	7	2,74,65,144	3,11,65,483
(c) Other Long term liabilities	8	50,00,000	3,00,00,000
(d) Long term provisions	9	25,05,985	20,97,362
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	5,64,11,804	7,19,50,211
(b) Trade payables	11	95,40,601	6,31,82,519
(c) Other current liabilities	12	7,85,351	4,26,59,030
(d) Short-term provisions	13	21,35,156	86,90,559
<b>Total</b>		<b>61,33,37,409</b>	<b>71,84,58,892</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	14		
(i) Tangible assets		15,81,60,810	15,71,62,471
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	15	30,000	29,32,14,527
(c) Deferred tax assets (net)	16	-	-
(d) Long term loans and advances	17	13,92,97,943	1,52,44,849
(e) Other non-current assets	18	-	-
<b>(2) Current assets</b>			
(a) Current investments	19	3,33,750	3,20,056
(b) Inventories	20	22,47,73,400	17,53,18,538
(c) Trade receivables	21	4,99,85,331	4,46,77,774
(d) Cash and cash equivalents	22	7,88,307	5,57,985
(e) Short-term loans and advances	23	3,99,67,868	3,19,62,692
(f) Other current assets	24	-	-
<b>Total</b>		<b>61,33,37,409</b>	<b>71,84,58,892</b>

**Notes Financial Statements and Significant Accounting Policies**

The note No. 1 to 52 forms an integral part of these Financial Statements

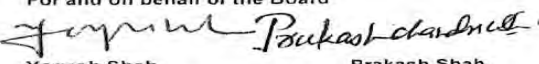
As per our Report of Even date Attached  
For Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 104182W

  
Jayesh Shah  
Proprietor  
M.No. 033864

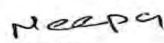
Place: Mumbai  
Date: 15th May, 2017



For and on behalf of the Board

  
Yogesh Shah  
Managing Director  
DIN: 00169189

Prakash Shah  
Executive Director  
DIN: 01660194

  
Nipa Shah  
Company Secretary


  
Nigam Shah  
CFO

VEER ENERGY & INFRASTRUCTURE LIMITED			
Statement of Profit and Loss for the year ended 31st March, 2017			
Particulars	Note No	2016-17	2015-16
I. Revenue from operations	25	17,71,75,224	49,02,19,303
II. Other Income	26	1,18,59,972	8,20,332
<b>III. Total Revenue (1+11)</b>		<b>18,90,35,196</b>	<b>49,10,39,635</b>
<b>IV. Expenses:</b>			
Cost of Material consumed	27	-	-
Purchase of Stock in Trade	28	18,92,97,714	42,91,28,300
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	(4,94,54,862)	27,72,896
Employees benefits expenses	30	1,10,15,837	99,22,374
Finance Cost	31	47,93,894	47,21,994
Depreciation and amortisation expenses	14	1,00,50,142	92,55,215
Other expenses	32	1,28,51,603	1,74,77,044
<b>IV. Total Expenses</b>		<b>17,85,54,328</b>	<b>47,32,77,823</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)	33	1,04,80,868	1,77,61,812
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V-VI)	34	<b>1,04,80,868</b>	<b>1,77,61,812</b>
VIII. Extraordinary Items		21,35,156	35,53,739
IX. Profit before tax (VII-VIII)		(37,00,339)	
X. Tax expense:		<b>(15,65,183)</b>	<b>27,19,973</b>
(1) Current tax			
(2) Deferred tax			
XI. Profit(Loss) from the period from continuing operations (IX-X)	35	<b>1,20,46,051</b>	<b>1,50,41,839</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations			
XIV. Profit/(Loss) from Discontinuing operations (XII-XIII)		1.53	2.11
		1.20	2.11

**Notes Financial Statements and Significant Accounting Policies**

The note No. 1 to 52 forms an integral part of these Financial Statements

<p>As per our Report of Even date Attached For Jayesh R. Shah &amp; Co. Chartered Accountants Firm Regn. No. 104182W</p> <p><i>Jayesh R. Shah</i></p> <p>Jayesh Shah Proprietor M.No. 033864</p> <p>Place: Mumbai Date: 15th May, 2017</p>		<p>For and on behalf of the Board</p> <p><i>Yogesh Shah</i></p> <p>Yogesh Shah Managing Director DIN: 00169189</p> <p><i>Neepra</i></p> <p>Nipa Shah Company Secretary</p> <p><i>Prakash Shah</i></p> <p>Prakash Shah Executive Director DIN: 81660194</p> <p><i>Digar Shah</i></p> <p>Digar Shah CFO</p>
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<b>VEER ENERGY &amp; INFRASTRUCTURE LIMITED</b>		
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017</b>		
	<b>2016-17</b>	<b>2015-16</b>
<b>A Cash Flow from Operating Activities</b>		
Net Profit before interest and tax	1,52,74,762	2,24,83,806
<u>Adjustments for :</u>		
Depreciation/Amortisation	1,00,50,142	92,55,215
Share Issue Expenses written off	(6,19,301)	4,91,564
Right Issue Expenses written off	-	-
Prior year adjustment	-	-
Other Income	(1,18,59,972)	(8,20,332)
Operating Profit before Working Capital Changes	<b>1,28,45,631</b>	<b>3,14,10,253</b>
<u>Adjustments for :</u>		
(Increase) / Decrease in Long term loans and advances	(12,40,53,094)	-
(Increase) / Decrease in Other non current assets	-	-
(Increase) / Decrease in Inventories	(4,94,54,862)	27,72,895
(Increase) / Decrease in Trade Receivable	(53,07,557)	2,88,21,039
(Increase) / Decrease in short term loans and Advances	(80,05,176)	4,07,81,418
(Increase) / Decrease in Other Current Assets	-	-
(Increase) / Decrease in Current Investments	(13,694)	21,65,868
Increase /(Decrease) in other long term liabilities	(2,50,00,000)	1,00,00,000
Increase /(Decrease) in Long term provisions	4,08,623	6,86,945
Increase /(Decrease) in Short Term Borrowings	(1,55,38,407)	3,29,11,981
Increase /(Decrease) in Trade Payables	(5,36,41,918)	(8,37,89,459)
Increase /(Decrease) in Other Current Liabilities	(4,18,73,679)	3,71,01,062
Increase /(Decrease) in Short Term Provisions	(65,55,403)	(97,55,599)
Cash generated from Operations	(32,90,35,167)	6,16,96,150
Current and Deferred Tax Adjustment	21,35,156	35,53,739
Net Cash (used) / from Operating Activities	<b>(31,83,24,692)</b>	<b>8,95,52,664</b>
<b>B Cash flow from Investing Activities</b>		
Sale/(Purchase) of Fixed Assets	(1,10,48,482)	(1,08,45,136)
Sale/(Purchase) of Non Current Investments	29,31,84,527	(6,61,00,000)
Increase/(Decrease) in Share Capital	75,00,000	-
Increase/(Decrease) in share warrant	1,46,13,750	-
Increase/(Decrease) in Reserves	1,27,50,000	-
Increase/(Decrease) of Long Term Borrowings	(55,10,859)	(33,56,166)
Interest & Other Income	1,18,59,972	8,20,332
Net Cash (used in) / from Investing Activities	<b>32,33,48,908</b>	<b>(7,94,80,970)</b>
<b>C Cash flow from Financial Activities</b>		
Dividend Paid	-	51,36,820
Interest Paid	47,93,894	47,21,994
Net Cash (used in) / from Financing Activities	<b>47,93,894</b>	<b>98,58,814</b>
Net changes in cash & cash equivalents (A + B + C)	2,30,322	2,12,881
Cash & cash equivalents - Opening Balance	5,57,985	3,45,104
Cash & cash equivalents - Closing Balance	<b>7,88,307</b>	<b>5,57,985</b>
<p>For Jayesh R. Shah &amp; Co. Chartered Accountants Firm Regn.No. 104182W</p> <p><i>Jayesh</i></p> <p>Jayesh Shah Proprietor M. No. 033864</p> <p>Place: Mumbai Date: 15th May, 2017</p> 		
<p>For and on behalf of the Board</p> <p><i>Yogesh</i> <i>Prakash</i></p> <p>Yogesh Shah Managing Director DIN: 00169189</p> <p>Prakash Shah Executive Director DIN: 01660194</p> <p><i>Nipa</i> <i>Vijay</i></p> <p>Nipa Shah Company Secretary Vijay Shah CFO</p>		



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2017			
Note No.	Particulars	As at 31/03/2017	As at 31/03/2016
1	<b>Significant Accounting Policies</b>		
(a)	<b>Basis of Accounting:</b> The financial statement is prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on accrual basis, except in respect of assets classified as Non Performing Assets (NPA).		
(b)	<b>Use of Estimates:</b> The presentation of financial statements in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those as estimated.		
(c)	<b>Revenue Recognition:</b> (i) Sale of goods: Revenue from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order. (ii) Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. (iii) Dividend: Dividend income from investments are recognized when the right to receive payment is established.		
(d)	<b>Fixed Assets:</b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.		
(e)	<b>Depreciation and Amortisation:</b> Depreciation is provided on the straight line method based as per the rate specified in Schedule II of the Companies Act, 2013.		
(f)	<b>Investments:</b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments. Current investments are carried at lower of cost and fair values, determined on individual basis.		
(g)	<b>Inventories:</b> Inventories are recorded at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis. net realizable value is determined by management using technical estimates.		
(h)	<b>Borrowing Costs:</b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.		
(i)	<b>Retirement and other employee benefits:</b> The Company has adopted the policy to provide for the Liability for gratuity and leave encashment benefits on actuarial valuation. Actuarial Valuation report has been obtained for the liabilities for gratuity and leave encashment benefits and provision has been made accordingly.		
(j)	<b>Provisions, Contingent Liabilities and Contingent Assets:</b> A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.		
(k)	<b>Provision for Current and Deferred Tax:</b> Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period are capable of reversal in one or more subsequent period.		
(l)	<b>Foreign Currency Transaction:</b> a) Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. b) Monetary items denominated in foreign currency at the year end are restated at year end rates. c) Non monetary foreign currency items are carried at cost.		
(m)	<b>Impairments:</b> Impairment loss is recognized whenever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(n)	<b>Earnings Per Share:</b> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The number of equity shares and potential dilutive equity shares are adjusted for bonus as appropriate.		
(o)	<b>Share Issue Expenses:</b> Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under the Companies Act, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years.		



*M. Shah*  
*Prakash* *J.P. Shah*  
*Naresh*

VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Financial Statements for the year ended 31st March, 2017					
Note No.	Particulars	As at 31/03/2017		As at 31/03/2016	
2	<b>Share Capital</b>				
	<b>Authorised</b> 1,50,00,000 Equity shares of Rs. 10/- each (Previous year 15,00,00,000 Equity shares of Rs.1/- each)		15,00,00,000	15,00,00,000	
	<b>Issued, Subscribed and Paid up</b> 7863250 Equity shares of Rs. 10/- each fully paid up (Previous year 71,13,250 Equity shares of Rs.10/- each)		7,86,32,500	7,11,32,500	
	750000 shares issued during the year on preferential basis at a premium of Rs.17/- per share		7,86,32,500	7,11,32,500	
	Details of shares held by each share holders holding more than 5% shares				
	Name of Shareholder	As at 31-03-2017		As at 31-03-2016	
		No. of shares	%	No. of shares	%
	Yogesh M. Shah	23,71,565	30.16	21,21,565	29.83
3	<b>Reserves and Surplus</b>	As at 31st March, 2016	Addition during the year	Deduction during the year	As at 31st March, 2017
	Securities Premium Reserve	18,65,32,500	1,27,50,000	6,19,302	19,87,23,198
	General Reserve	1,00,00,000	-	-	1,00,00,000
	Surplus in statement of profit and loss	18,84,53,426	1,20,48,051	-	20,04,99,477
		38,50,45,926	2,47,98,051	6,19,302	40,92,22,875
		2017		2016	
	Profit for the period		1,20,48,051		1,49,74,149
	Less: Dividend on Equity Shares			42,87,950	
	Tax on Distributed Profits on Equity Shares			8,68,870	
	Transfer to General Reserve			-	51,36,620
		1,20,48,051		98,37,329	
4	<b>Money Received against share warrants</b> 2165000 share warrant issued @ Rs. 27/- per warrant paid up Rs. 6.75 per warrant to be converted before 18 months from the date of issue. Face Value Rs. 10/- and premium Rs. 17/-		14613750		
5	<b>Share Application Money pending allotment</b>				
6	<b>Long Term Borrowings</b>				
	<b>Secured</b>				
	HDFC Bank Term loan				76,07,278
	HDFC Bank Term loan - 2		66,30,479		44,48,767
	HDFC Bank Car Loan-Zylo		1,93,984		4,32,154
	HDFC Bank Maruti Eco Loan				47,103
	Term loan is against setting up the new engineering division and Factory Building at base rate+3.30% interest rate for 5 years. Car Loan is for purchase of car on 36 installments				
	<b>Unsecured</b>				
			70,24,443		1,25,35,302
	7	<b>Deferred tax liabilities</b>			
Deferred Tax Liabilities			2,82,16,040		3,18,78,378
Deferred Tax Assets			7,51,736		7,12,893
Deferred Tax Liabilities (Net)			2,74,65,144		3,11,65,485
8	<b>Other Long term liabilities</b>				
	Factory Deposits		50,00,000		3,00,00,000
			50,00,000		3,00,00,000
9	<b>Long term provisions</b>				
	Provision for Gratuity		25,05,985		20,97,362
			25,05,985		20,97,362
10	<b>Short-term borrowings</b>				
	<b>Secured</b>				
	HDFC Bank CC				
	HDFC Bank OD A/c		(1,12,96,990)		2,91,08,952
	HDFC Bank Term loan		76,07,278		90,75,888
	HDFC Bank Term loan - 2		18,50,918		14,77,470
	HDFC Bank Car Loan-Zylo		2,38,190		2,18,771
	HDFC Bank Maruti Eco Loan		47,103		1,04,996
	CC Limit and OD against stock and debtors @ base rate plus 3% interest rate				
	<b>Unsecured</b>				
From Directors				1,29,00,000	
Intercompany Deposits				1,90,66,134	
Other Deposits/Advances		5,79,65,305			
		5,84,11,804		7,19,80,211	
11	<b>Trade payables</b>				
	Trade payables due to related parties				
	Trade Payable Other than of Advances		95,40,601		6,05,83,019
	Due from Related Parties				25,99,500
		95,40,601		6,31,82,519	



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VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2017			
Note No.	Particulars	As at 31/03/2017	As at 31/03/2016
12	<b>Other current liabilities</b>		
	Current maturities of long term debts	-	-
	Other payables-employees	-	-
	Trade deposits and Advances	-	-
	VAT, TDS, Service tax and Withholding tax payable	7,85,351	17,93,725
	Interest accrued and due	-	-
	Interest accrued but not due	-	-
	Unpaid matured deposits and interest accrued thereon	-	4,08,85,305
	Other payables	-	-
		<u>7,85,351</u>	<u>4,26,59,030</u>
13	<b>Short-term provisions</b>		
	Dividends on Equity shares (Including Dividend Dist Tax)	-	51,36,820
	Income Tax and Wealth Tax	21,35,156	35,53,739
	Employees benefits	-	-
	Others (Including provision for MTM on forward contracts)	-	-
		<u>21,35,156</u>	<u>86,90,559</u>
14	<b>Fixed Assets</b>		
	Gross Amount	21,56,36,090	20,47,87,616
	Less: Depreciation & Amortisation of Expenses	5,76,75,286	4,79,25,145
		<u>15,81,60,810</u>	<u>15,71,62,471</u>
16	<b>Non-current investments</b>		
	(All unquoted unless otherwise specified)		
	Veer Enterprise GmbH-100% subsidiaries in Germany Euro 25000 as Capital and Euro 73500 as loan.	-	66,84,527
	Shruti Power Projects Pvt. Ltd.	-	28,85,00,000
	Trade Investments - NSC-VIII issue	30,000	30,000
		<u>30,000</u>	<u>29,32,14,527</u>
16	<b>Deferred tax assets (Net)</b>		
17	<b>Long term loans and advances</b>		
	Business advances-Considered good	11,82,15,094	-
	Uttar Gajeral Viji Co. Ltd.	44,849	44,849
	Office/Residence Deposits	2,10,38,000	1,52,00,000
		<u>13,92,97,943</u>	<u>1,62,44,849</u>
18	<b>Other non-current assets</b>		
	Share issue expenses c/d.	-	-
19	<b>Current Investments</b>		
	Trade Investments		
	HDFC Bank FD-For Bank guarantee facility	3,33,750	3,20,058
		<u>3,33,750</u>	<u>3,20,058</u>
20	<b>Inventories</b>		
	Raw Material		
	Solar Panel	5,00,022	5,60,022
	<b>Work in Progress</b>		
	Land for Wind farm	7,43,08,250	7,53,08,282
	Erection and commissioning product	-	-
	Foundation material	-	-
	Power Evaluation Facilities	9,44,58,150	9,61,71,047
	Engineering Division	20,59,693	30,52,653
	Op. & Maint. Products	-	1,68,524
	Electrical Material	-	-
	Bhivandi Project WIP	5,33,87,285	-
		<u>22,47,73,460</u>	<u>17,53,18,538</u>
21	<b>Trade receivables</b>		
	Secured		
	Unsecured		
	More than 6 months considered good	3,46,44,314	1,20,22,887
	Other receivables considered good	1,53,41,017	3,28,54,867
		<u>4,99,85,331</u>	<u>4,48,77,754</u>
	Less: Provision for doubtful debts	4,99,85,331	4,46,77,774
		<u>4,99,85,331</u>	<u>4,46,77,774</u>



VEER ENERGY & INFRASTRUCTURE LIMITED  
FIXED ASSETS - Note No. 14

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As at 1.04.2016	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	As at 31.03.2017	Up To 1.04.2016	On Op. bal	On Addition Deduction	For the Year 2016-17	Up To 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land at Charypolder	1708400	0	0	1708400	0	0	0	0	0	1708400	1708400
Building at Charypolder	2666404	0	0	2666404	173965	63125	0	63125	309110	1825294	1825294
Building at Charypolder	544236	0	0	544236	520703	125253	0	125253	301456	481780	5017513
Generator - Mumbai	394400	55000	0	449400	163526	24964	944	25010	181436	299964	299964
Generator - Ahmedabad	201587	0	0	201587	53738	12729	0	12729	135090	135090	147849
Generators	25700	0	0	25700	1480	4789	0	4789	31499	931	5780
Generators	216355	0	0	216355	17051	32284	0	32284	211635	0	32284
Generator Lock	3300	0	0	3300	948	627	0	627	1375	1725	2352
Generator Machine	10000	0	0	10000	2873	1899	0	1899	7722	101999	106531
Lift	1187702	0	0	1187702	100121	25182	0	25182	17293	101999	7127
Computer - Mumbai	562040	77340	0	639380	503400	1362	0	1362	366302	73278	34994
Computer - Ahmedabad	229222	200510	0	429732	194228	41994	9896	41994	291118	190614	194321
Furniture & Fixtures - Mumbai	356837	0	0	356837	1142516	211060	0	211060	1335946	313321	194321
Furniture & Fixtures - Ahmedabad	429971	0	0	429971	142978	40327	0	40327	132255	240716	200993
CCTV Camera - Factory	954990	19330	0	1150220	15714	9073	183	9156	49790	90250	79776
Projector-Mumbai	68625	0	0	68625	66618	6549	0	6549	32428	1485	8007
Three Phase Transformer	399819	0	0	399819	201580	34928	0	34928	32478	16231	102209
Can Winding Machine	23518	0	0	23518	110088	15035	0	15035	17475	17475	127510
CJ Testing Panel	179590	0	0	179590	74566	10546	0	10546	10946	58088	617160
Vacuum Pump	236500	0	0	236500	45026	14357	0	14357	4732	83348	94434
Air Compressor	236500	0	0	236500	45026	14357	0	14357	4732	83348	94434
Automatic Voltage Regulator	449501	0	0	449501	41908	15420	0	15420	4432	166543	194594
CNC Tool/holders	3178699	0	0	3178699	63071	84139	28654	28654	11380	324314	35062
CNC Turning Center - Hus - FIC 20L	3362218	0	0	3362218	201274	201274	0	201274	83183	84720	24278
CNC VTC - 1000 N/VP - 3 - Hus	1900000	8927968	0	17176868	67220	9942	518427	245237	25170	1042796	263948
CNC VTC - 500 N/VP	1877264	0	0	14977264	296262	94860	0	94860	39432	1182942	201902
Carve 45 - 130 Ton	2900000	0	0	2900000	58199	183571	0	183571	76070	233900	213791
Radial Drill Machine VR-4	106500	0	0	106500	71975	23359	0	23359	10734	10734	13825
Lathes Machine	710000	0	0	710000	94435	41944	0	41944	19197	570431	43525
WTC-225 ton-Giff 1	1200000	0	0	1200000	462358	57000	0	57000	407458	662642	76324
WTC-225 ton-Giff 2	1200000	0	0	1200000	431928	57000	0	57000	494928	703873	76324
WTC-225 ton-Giff 3	1000000	0	0	1000000	3420937	513000	0	513000	307337	666663	717903
WTC-225 ton-Giff 4	1000000	0	0	1000000	3420937	513000	0	513000	307337	666663	717903
WTC-225 ton-Giff 5	1000000	0	0	1000000	3420937	513000	0	513000	307337	666663	717903
WTC-225 ton-Giff 6	1000000	0	0	1000000	3420937	513000	0	513000	307337	666663	717903
WTC-225 ton-Giff 7	4265415	0	0	47865415	1136803	3420937	0	3420937	1361641	3423374	3649780
Weld Mesa	4815309	700000	0	5511850	795238	307733	10804	2273606	111797	448853	1026473
Car Chevrolet	1012388	0	0	1012388	95394	58452	0	58452	107388	1012388	58452
Car Swift Drive	660440	0	0	660440	886993	7967	0	7967	64040	64040	7967
Maruti Vignette	650000	0	0	450000	295233	53936	0	53936	36471	141529	158465
Activa-2	36172	0	0	36172	27825	673	0	673	34298	21824	2645
Activa-2	60530	0	0	60530	0	727	0	727	727	59633	3645
Zip Car-2	91594	0	0	91594	36795	109484	0	109484	15279	775815	88529
Maruti Ico	34764	0	0	34764	74167	45619	0	45619	19816	24448	31069
Maruti Celerio	0	542586	0	542586	0	0	47545	47545	3245	49841	0
Can-Kwid	0	465238	0	465238	0	0	4846	4846	4646	460382	0
Can-Kwid	2037916	1168482	0	21564098	4752545	9749126	301016	1000042	5265288	15160810	15716297
Provision Year	19412953	11357126	722511	204787616	38300796	9108197	147023	9232315	47623143	157162471	15372553

M. NO.  
033864  
FRN  
104682W  
MUMBAI

MIS. JAYESH  
CHARTERED ACCOUNTANT • CO.

Neeraj M. P. G. G.

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2017			
Note No.	Particulars	As at 31/03/2017	As at 31/03/2016
22	<b>Cash and cash equivalents</b>		
	Cash in hand and as imprest	4,54,778	3,01,918
	Cheques/ Drafts in hand	-	-
	On Current Account	3,33,529	2,56,067
	On Dividend Account	-	-
	On Deposit Account	-	-
	As Margin money	-	-
		<b>7,88,307</b>	<b>5,67,985</b>
23	<b>Short-term loans and advances</b>		
	Loans and Advances to Related Parties	-	-
	Loans and Advances to Others	2,72,58,076	1,51,62,078
	Unsecured/considered good	-	-
	Deposits-Intercompany	-	-
	Deposits/Balances with Excise/VAT authorities	-	-
	Advance payment of Income Tax/Wealth Tax/TDS	1,19,56,938	98,71,085
	Advance payment of VAT/Service tax	7,52,854	69,29,529
		<b>3,99,67,868</b>	<b>3,19,62,692</b>
24	<b>Other current assets</b>		
25	<b>Revenue from operations</b>		
	Sales of Infrastructure Products	14,10,36,574	27,49,21,134
	Sales of Services	1,26,49,074	2,23,56,767
	Sales-Engineering Division	1,34,32,726	2,28,26,911
	Sales-Trading	-	15,98,96,381
	Other Operating Income	1,00,56,850	1,02,18,110
		<b>17,71,75,224</b>	<b>49,02,19,303</b>
	Less: Excise Duty	-	-
	Net Sales	<b>17,71,75,224</b>	<b>49,02,19,303</b>
	<b>Particulars of Sale of Products &amp; Services</b>		
	Sale of Infrastructure under works contract	14,10,36,574	27,49,21,134
	Sale of Services i.e O & M of WTG Infrastructure	1,26,49,074	2,23,56,767
	Sale of Engineering Division	1,34,32,727	2,28,26,911
	Trading in Copper Tube and MS items	-	15,98,96,381
	Other operative income - power generation	1,00,56,850	1,02,18,110
26	<b>Other Income</b>		
	Interest from Others	10,04,208	15,665
	Dividend	-	-
	Net Gain/Loss on sale of current investments	71,591	-
	Other Non operating Income	1,07,84,173	8,04,686
		<b>1,18,69,972</b>	<b>8,20,352</b>
27	<b>Cost of materials consumed</b>		
28	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Infrastructure under W/C	17,45,54,519	24,36,20,740
	Purchase of Services-O & M Charges	86,07,852	1,40,40,663
	Purchase of Engineering Division	61,35,343	1,24,00,250
	Purchase-Trading	-	15,90,66,647
		<b>18,92,97,714</b>	<b>42,91,28,300</b>
29	<b>Change in Inventories of finished goods, WIP and Stock in Trade</b>		
	<b>Stock at close</b>		
	Lands for windfarm	7,43,08,250	7,53,66,292
	Erection and commissioning products	-	-
	Foundation materials	-	-
	Power evacuation facilities	9,44,56,150	9,61,71,047
	Engineering Division	20,59,693	30,52,653
	Op & Maint. Products	-	1,08,524
	Electrical Material	-	-
	Bhivandi Project WIP	5,33,87,285	-
	Solar Panel	5,60,022	5,60,022
		<b>22,47,73,400</b>	<b>17,53,18,538</b>
	<b>Stock at commencement</b>		
	Lands for windfarm	7,53,66,292	8,12,18,292
	Erection and commissioning products	-	-
	Foundation materials	-	-
	Power evacuation facilities	9,61,71,047	9,61,71,047
	Sub station at Bhavnagar	-	-
	Job Work	-	-
	Engineering Division	30,52,653	59,894
	O & M products	1,68,524	84,175
	WTG Machine	-	-
	Solar Panel	5,60,022	5,60,022
		<b>17,53,18,538</b>	<b>17,80,91,434</b>
		<b>(4,94,54,862)</b>	<b>27,72,896</b>



*Handwritten signatures and initials:*  
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 P. [Signature]  
 M R P G



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2017			
Note No.	Particulars	As at 31/03/2017	As at 31/03/2016
30	<b>Employee benefit expense</b>		
	Salaries, Wages, Bonus, Gratitudes & Allowances	98,46,423	97,09,717
	Staff Welfare Expenses	11,89,414	2,12,657
		<u>1,10,15,837</u>	<u>99,22,374</u>
31	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	42,68,394	40,59,632
	Bank Charges	5,25,500	6,62,362
		<u>47,93,894</u>	<u>47,21,994</u>
32	<b>Other expenses</b>		
	<b>Direct Expenses - A</b>		
	Consumables	-	-
	Freight	89,714	-
	Getco/GEDA/MEDA Liaisoning Fees	23,750	52,64,064
	Guarant Energy Development Agency Fees	-	-
	Rent	8,64,248	8,79,456
	VAT/CST/Ser. Tax paid	7,62,925	3,30,201
	Lend Survey / Lease Rent	4,69,851	80,765
	Petroleum, Power & Fuel	1,29,624	1,73,345
	Security Charges	14,34,984	21,06,136
	Bhiwandi project Expenses	2,67,285	-
	Other Direct Expenses	-	-
		<u>40,42,282</u>	<u>88,13,968</u>
	<b>Administration &amp; Establishment Expenses - B</b>		
	Rent, Rates & taxes	-	-
	Insurance	7,13,725	7,03,312
	Advertisement, publicity & sales promotion	6,26,964	4,61,132
	Travelling & other incidental expenses	8,39,419	6,04,540
	Office maintenance	3,79,754	2,43,925
	Vehicle running & maintenance	1,37,304	61,005
	Printing & stationery	57,765	77,780
	Communication expenses	3,26,765	2,63,620
	Staff recruitment & training	-	-
	Donation	15,00,000	-
	Auditors remuneration: As auditors for tax audit	1,00,000	1,00,000
	for certification/limited review	25,000	25,000
	out of pocket expenses	25,000	25,000
	Others	-	-
	Repairs: Machineries	3,45,206	1,84,298
	Office building	-	-
	Legal, professional & consultancy charges	8,81,301	22,84,024
	Engineering Division Expenses	15,08,973	29,78,843
	Director's sitting fees	-	-
	Commission	3,30,000	-
	Discount	27,894	-
	Listing/custodian Exp. Fees	7,15,917	3,72,520
	Miscellaneous expenses	66,334	70,837
	Share issue expenses w/off	-	-
	Loss on Sale of Car	-	1,87,040
	Bad debts/irrecoverable advances written off	-	-
		<u>88,09,321</u>	<u>88,63,078</u>
	<b>Total A + B</b>	<u>1,28,51,603</u>	<u>1,74,77,044</u>
33	<b>Exceptional Items</b>	0	0
34	<b>Extraordinary Items</b>	0	0
35	<b>Profit/(Loss) from discontinuing operations</b>	0	0



*Mr. P. Godhe*  
*Mr. Meera*

VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Financial Statements for the year ended 31st March, 2017					
Note No.	Particulars	As at 31/03/2017		As at 31/03/2016	
36	<b>Value of Imports on CIF basis in respect of:</b>	2016-17		2015-16	
	Raw Material	Nil		Nil	
	Components and Spare Parts	Nil		Nil	
	Capital Goods	Nil		Nil	
37	<b>Expenditure in Foreign Currency on account of:</b>				
	a) Royalty, know how, professional, consultation fees, interest and other matters	Nil		Nil	
	b) Travelling	Nil		Nil	
38	<b>Dividend remitted in foreign currency</b>	Nil		Nil	
39	<b>Value of Imported and Indigenous material consumed &amp; percentage there of</b>	Value	%	Value	%
	Value of Imported material consumed	0	-	-	-
	Value of Indigenous material consumed	13,12,35,000	100	41,78,60,533	100
	<b>Total</b>	<b>13,12,35,000</b>	<b>100</b>	<b>41,78,60,533</b>	<b>100</b>
40	<b>Earning in foreign exchange</b>				
	FDB value of exports	-		-	
	Royalty, know how Professional and consultancy fees	-		-	
	Interest and dividends	-		-	
	Other Income	-		-	
41	<b>Earning per share (EPS)</b>				
	i) Net Profit after tax as per statement of Profit and Loss	1,20,46,061		1,50,41,839	
	ii) Weighted average number of equity shares used as denomination for calculating EPS	78,63,250		71,13,260	
	iii) Share Warrant	21,65,000			
	iv) Basic Earning per share	1.53		2.11	
	Diluted Earning per share	1.20		2.11	
	iv) Face Value per equity share	10.00		10.00	
42	<b>Payment to Auditors</b>				
	a) As Auditor	1,00,000		1,00,000	
	b) As Advisor or in any other capacity				
	i) Taxation matters (Tax Audit)	25,000		25,000	
	ii) Company Law matters	-		-	
	iii) Management services	-		-	
	c) In any other manner- Limited Review Report	25,000		25,000	
43	<b>Employee Retirement Benefits</b>				
	As required under the accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer", Actuarial Valuation Report has been obtained for the liabilities for gratuity and leave encashment benefits. The amount as per report is Rs.408623/- for the year which has been provided in the accounts but investments of the total amount till date Rs. 2505965/- has not been made so far.				
44	<b>Segment Reporting as required under Accounting Standard 17</b>				
	Primary Segment	Energy & Infrastructure	92.42	62.73	
		Engineering Division	7.58	4.68	
	Secondary Segment	Trading	0.00	32.62	
	Geographical Segment	100% Revenue from India only.			
45	<b>Related parties disclosure in accordance with the Accounting Standard 18</b>				
	List of Related Parties: Enterprise owned or significantly controlled by the Directors of the Company:				
	The name of the Company/Firm	Director Interested	Capacity		
	1 M/s. Veerhealth Care Limited	Yogesh M. Shah	Director		
	2 M/s. Krupa Wind tech Pvt. Ltd	Yogesh M. Shah	Director		
	3 M/s. Ruchi Windfarm Pvt. Ltd	Yogesh M. Shah	Director		
	4 M/s Arpan Housing Company	Yogesh M. Shah	Proprietor		
	5 M/s. Daanish Engineering	Prakash C. Shah	Proprietor		
	6 M/s. Kunal Traders	Prakash C. Shah	Proprietor		
	7 M/s. Veerhealth Care Limited	Mitesh Kuvadia	Director		
	8 M/s. Ratnakar Fasteners Private Limited	Mitesh Kuvadia	Director		
	9 Mehta Chetan & Associates	Chetan Mehta	Proprietor		
	10 Ms. Krupa Y. Shah	Yogesh M. Shah	Daughter		
	<b>Key Management Person</b>				
	Mr. Yogesh M. Shah	Managing Director			
	Mr. Prakash C. Shah	Executive Director			
	Mr. Nilay P. Shah	Executive Director			
	Mr. Jiger J. Shah	Chief Financial Officer			
	Ms. Nipa Shah	Company Secretary			
	Transaction with related party				
	M/s. Veerhealth Care Ltd	Sale of Machinery			
	M/s. Daanis Engineering	Sale of Goods			
	M/s. Daanis Engineering	Purchase of Machineries			
	M/s. Shruti Power Projects Pvt. Ltd	Loan Given	9,85,00,000		
	Mr. Yogesh M. Shah	Remuneration Paid	19,50,000		
	Mr. Prakash Shah	Remuneration Paid	9,75,000		
	Mr. Nilay Shah	Remuneration Paid	9,10,000		
	Ms. Nipa Shah	Salaries Paid	2,17,000		
	Ms. Krupa Y. Shah	Salaries Paid	3,25,000		
	<b>Details of outstanding with Related Party at the end of the year</b>		31-03-2017	31-03-2016	
	M/s. Shruti Power Projects Pvt. Ltd.		97415094 Dr.	96500000 Dr.	
	(Was 100% subsidiary, sold out during the year)				
	Daanis Engineering		103008 Dr.	2,496,495 Dr.	



Handwritten signatures and initials: P. G. Shah, N. P. Shah, and N. P. Shah.

VEER ENERGY & INFRASTRUCTURE LIMITED																					
Notes to the Financial Statements for the year ended 31st March, 2017																					
Note No.	Particulars	As at 31/03/2017	As at 31/03/2016																		
46	There are no pending capital commitments.																				
47	<b>Contingent Liabilities</b> There is a demand from the Income tax department for assessment year 2014-15 of Rs.26416720/-. The Company has preferred an appeal before CIT.																				
48	The Company has no liability under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure regarding the following has not been provided: (a) Amount due and outstanding to suppliers as the end of accounting year; (b) Interest paid during the year; (c) Interest payable at the end of the accounting year; and (d) Interest accrued and unpaid at the end of the accounting year																				
49	The Company has closed its all operations of 100% subsidiary "Veer Enterprise-GMBH" in Germany. It has officially shut down the business in Germany.																				
50	The Company has also sold out the 100% stake in its subsidiary in India "Shruel Power Projects Pvt Ltd"																				
51	The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016																				
		<table border="1"> <thead> <tr> <th>SBNs</th> <th>Other denomination Notes</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>995000</td> <td>789591</td> <td>1754591</td> </tr> <tr> <td>(+) Permitted receipts</td> <td>0</td> <td>318000</td> </tr> <tr> <td>(-) Permitted payments</td> <td>0</td> <td>222033</td> </tr> <tr> <td>(-) Amount deposited in Banks</td> <td>995000</td> <td>0</td> </tr> <tr> <td>Closing cash in hand as on 30.12.2016</td> <td>0</td> <td>855558</td> </tr> </tbody> </table>	SBNs	Other denomination Notes	Total	995000	789591	1754591	(+) Permitted receipts	0	318000	(-) Permitted payments	0	222033	(-) Amount deposited in Banks	995000	0	Closing cash in hand as on 30.12.2016	0	855558	
SBNs	Other denomination Notes	Total																			
995000	789591	1754591																			
(+) Permitted receipts	0	318000																			
(-) Permitted payments	0	222033																			
(-) Amount deposited in Banks	995000	0																			
Closing cash in hand as on 30.12.2016	0	855558																			
52	Previous year figures have been regrouped & rearranged wherever necessary.																				
	As per our report of even date For JAYESH R SHAH Chartered Accountant Firm Regn.No.104182W	For and on Behalf of the Board  Yogesh Shah Managing Director DIN: 00168188	Prakash Shah Executive Director DIN: 0340184																		
	Jayesh Shah Proprietor Membership No.033884	Nipa Shah Company Secretary	Jigar Shah CFO																		
	Place: Mumbai Date: 15th May, 2017																				

## INDEPENDENT AUDITORS REPORT

To,  
The Members of  
**VEER ENERGY & INFRASTRUCTURE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Veer Energy & Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors' is responsible for the matters in Section 134(5) of the Companies Act, 2013("the act") with respect to the preparation 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 Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken in to 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 audit opinion on the financial statement.





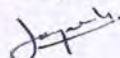
### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- ii) As required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), we give in the Annexure-B a Report on the Internal Financial Controls over financial reporting.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as 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. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act;
  - f. with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditors) Rules, 2014 in our opinion and to best of our information and according to the explanation given to us;
    - i. The company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amount which required to be transferred to the Investor Education and Protector Fund by the Company.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

  
Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 27<sup>th</sup> May, 2016

**Annexure-A referred to in paragraph (1) under “Report on Other Legal and Regulatory Requirements” of Independent Auditors Report of even date.**

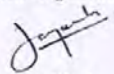
- 1) (i) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.  
(ii) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.
- 2) (i) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable.  
(ii) In our opinion and according to the information and explanation given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;  
(iii) The Company has maintained proper records of inventories. As explain to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- 3) As per the information furnished, the Company has granted unsecured interest free loans to its subsidiary covered in the Register, maintained under Section 189 of the Companies Act, 2013;  
(i) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;  
(ii) In respect of such loans given by the Company, there are no overdue amounts more than Rs. 1,00,000/-.
- 4) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories, fixed assets and for sale of goods & services.  
Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
- 5) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- 6) As per the information provided, the Company is not covered under Section 148 of the Companies Act, 2013, hence not required to maintain cost records.
- 7) (i) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they become payable.  
(ii) According to the records of the Company and information and explanation given to us and record verified by us the outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax, service tax, cess which have not been deposited, with the appropriate authorities.

Sr. No	Name of the Statute	Nature of Dues	Amt Due	Period to which the amt. relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	126913/-	A.Y.2010-11	Appeal order passed and payable, demand notice not yet received
2	Income Tax Act, 1961	Income tax	447270/-	A.Y.2010-11	Appeal withdrawn from Tribunal hence payable but not paid

(iii) According to the information and verification of the records, we are of the opinion that the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under is nil as on the date of the financial year end.

- 8) According to the records of the Company and information and explanation given to us and record verified by us, we are of the opinion that moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- 9) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
- 10) On the basis of our examination and according to the information and explanations given to us, no material fraud, on or by the Company, has been noticed or reported during the year under audit.
- 11) From verification of records, in our opinion, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) The Company is not a Nidhi Company hence not applicable.
- 13) As per the verification of the records, we are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) The company has not entered into any non-cash transactions with directors or persons connected with him.
- 16) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

  
Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 27<sup>th</sup> May, 2016



**Annexure-B referred to in paragraph (1) under “Report on Other Legal and Regulatory Requirements” of Independent Auditors Report of even date.**

**Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

I have audited the internal financial controls over financial reporting of Veer Energy & Infrastructure Limited (“the Company”) as of March 31, 2016 in conjunction with my audit of the standalone 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”. 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**

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my 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, both 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 I/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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for my 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.

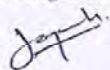
**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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 inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In my 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 March 31, 2016, based on "the internal control over financial reporting criteria established by the Company - commensurate with the size of the company and nature of its business - 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 Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W



Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 27<sup>th</sup> May, 2016

VEER ENERGY & INFRASTRUCTURE LIMITED			
Balance Sheet as at 31st March, 2016			
Particulars	Note No	As at 31/03/2016	As at 31/03/2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	71,132,500	71,132,500
(b) Reserves and Surplus	3	385,045,926	374,649,342
(c) Money received against share warrants	4	-	-
<b>(2) Share application money pending allotment</b>	5	-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	* 23,410,427	26,766,593
(b) Deferred tax liabilities (net)	7	31,165,483	31,999,249
(c) Other Long term liabilities	8	30,000,000	20,000,000
(d) Long term provisions	9	2,097,362	1,410,417
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	61,075,086	28,163,105
(b) Trade payables	11	63,182,519	146,971,978
(c) Other current liabilities	12	42,659,030	5,557,968
(d) Short-term provisions	13	8,690,559	18,446,158
<b>Total</b>		<b>718,458,892</b>	<b>725,097,310</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	14		
(i) Tangible assets		157,162,471	155,572,550
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non current investments	15	293,214,527	227,114,527
(c) Deferred tax assets (net)	16	-	-
(d) Long term loans and advances	17	15,044,849	15,044,849
(e) Other non-current assets	18	-	-
<b>(2) Current assets</b>			
(a) Current investments	19	320,056	2,485,924
(b) Inventories	20	175,318,538	178,091,433
(c) Trade receivables	21	44,677,774	73,498,813
(d) Cash and cash equivalents	22	557,985	345,104
(e) Short-term loans and advances	23	32,162,692	72,944,110
(f) Other current assets	24	-	-
<b>Total</b>		<b>718,458,892</b>	<b>725,097,310</b>

Notes Financial Statements and Significant Accounting Policies  
The note No. 1 to 51 forms an integral part of these Financial Statements

As per our Report of Even date Attached  
For Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 104182W

Jayesh Shah  
Proprietor  
M.No. 033864

Place: Mumbai  
Date: 27th May, 2016



For and on behalf of the Board

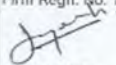


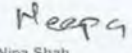
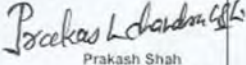
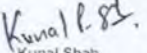
Yogesh Shah  
Managing Director  
DIN: 00169189

Nipa Shah  
Company Secretary

Prakash Shah  
Executive Director  
DIN: 01660194

Kunal P. Shah  
CFO



VEER ENERGY & INFRASTRUCTURE LIMITED			
Statement of Profit and Loss for the year ended 31st March, 2016			
Particulars	Note No	2015-16	2014-15
I Revenue from operations	25	490,219,303	477,313,357
II Other Income	26	820,332	1,860,301
III. Total Revenue (I+II)		491,039,635	479,173,658
IV Expenses			
Cost of Material consumed	27	-	-
Purchase of Stock in Trade	28	429,128,300	329,058,853
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	2,772,896	71,098,361
Employees benefits expenses	30	9,922,374	8,188,988
Finance Cost	31	4,721,994	6,183,212
Depreciation and amortisation expenses	14	9,255,215	10,313,519
Other expenses	32	17,477,044	31,980,423
IV. Total Expenses		473,277,823	456,821,356
V Profit before exceptional and extraordinary items and tax (III-IV)		17,761,812	22,352,302
VI Exceptional Items	33	-	-
VII Profit before extraordinary items and tax (V-VI)		17,761,812	22,352,302
VIII Extraordinary Items	34	-	-
IX Profit before tax (VII-VIII)		17,761,812	22,352,302
X Tax expense			
(1) Current tax		3,553,739	5,545,204
(2) Deferred tax		(833,766)	(1,663,805)
		2,719,973	3,881,399
XI Profit(Loss) from the period from continuing operations (IX-X)		15,041,839	18,470,903
XII Profit/(Loss) from discontinuing operations	35	-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII-XIII)		-	-
XV Profit/(Loss) for the period (XI+XIV)		15,041,839	18,470,903
XVI Earning per equity share of Rs. 10/- face value (31st March, 2015: Rs. 1/- face value)			
(1) Basic		2.11	0.26
(2) Diluted		2.11	0.26
Notes Financial Statements and Significant Accounting Policies			
The note No. 1 to 51 forms an integral part of these Financial Statements			
As per our Report of Even date Attached			
For Jayesh R. Shah & Co. Chartered Accountants Firm Regn. No. 104182W			
 Jayesh Shah Proprietor M.No. 033864			
Place: Mumbai Date: 27th May, 2016		For and on behalf of the Board  Yogesh Shah Managing Director DIN: 00169189	
		 Nipa Shah Company Secretary	
		 Prakash Shah Executive Director DIN: 01660194	
		 Kunal P. Shah CFO	



VEER ENERGY & INFRASTRUCTURE LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016		
	2015-16	2014-15
<b>A Cash Flow from Operating Activities</b>		
Net Profit before tax	17,761,812	22,352,302
<u>Adjustments for :</u>		
Depreciation/Amortisation	9,255,215	10,313,519
Share Issue Expenses written off	-	629,811
Right Issue Expenses written off	-	-
Prior year adjustment	491,564	-
Other Income	(820,332)	(1,860,301)
Operating Profit before Working Capital Changes	<b>26,688,259</b>	<b>31,435,331</b>
<u>Adjustments for :</u>		
(Increase) / Decrease in Long term loans and advances	-	3,491,100
(Increase) / Decrease in Other non current assets	-	(629,810)
(Increase) / Decrease in Inventories	2,772,895	71,096,361
(Increase) / Decrease in Trade Receivable	28,821,039	224,601,367
(Increase) / Decrease in short term loans and Advances	40,781,418	570,967
(Increase) / Decrease in Other Current Assets	-	-
(Increase) / Decrease in Current Investments	2,165,868	5,327,953
Increase /(Decrease) in other long term liabilities	10,000,000	-
Increase /(Decrease) in Long term provisions	686,945	188,112
Increase /(Decrease) in Short Term Borrowings	32,911,981	(18,467,646)
Increase /(Decrease) in Trade Payables	(83,789,459)	(85,673,062)
Increase /(Decrease) in Other Current Liabilities	37,101,062	179,761
Increase /(Decrease) in Short Term Provisions	(9,755,599)	5,680,525
Cash generated from Operations	61,696,151	206,365,628
Current and Deferred Tax Adjustment	3,553,739	3,881,399
Net Cash (used) / from Operating Activities	<b>84,830,671</b>	<b>233,919,560</b>
<b>B Cash flow from Investing Activities</b>		
Sale/(Purchase) of Fixed Assets	(10,845,136)	(889,918)
Sale/(Purchase) of Non Current Investments	(66,100,000)	(220,400,000)
Increase/(Decrease) in Share Capital	-	-
Increase/(Decrease) in Reserves	-	-
Increase/(Decrease) of Long Term Borrowings	(3,356,166)	(9,522,749)
Loss on Sale of Leased Assets	-	-
Interest & Other Income	820,332	1,860,301
Net Cash (used in) / from Investing Activities	<b>(79,480,970)</b>	<b>(228,952,366)</b>
<b>C Cash flow from Financial Activities</b>		
Dividend Paid	5,136,820	5,121,431
Interest Paid	-	-
Net Cash (used in) / from Financing Activities	<b>5,136,820</b>	<b>5,121,431</b>
Net changes in cash & cash equivalents (A + B + C)	212,881	(154,237)
Cash & cash equivalents - Opening Balance	345,104	499,341
Cash & cash equivalents - Closing Balance	<b>557,985</b>	<b>345,104</b>
<p>For Jayesh R. Shah &amp; Co. Chartered Accountants Firm Regn.No. 104182W</p> <p style="text-align: center;"></p> <p>Jayesh Shah Proprietor M. No. 033864</p> <p>Place: Mumbai Date: 27th May, 2016</p>		
<p style="text-align: center;"></p> <p>For and on behalf of the Board</p> <p style="text-align: center;"></p> <p>Yogesh Shah Managing Director DIN: 00169189</p> <p style="text-align: center;"></p> <p>Prakash Shah Executive Director DIN: 01660194</p> <p style="text-align: center;"></p> <p>Nipa Shah Company Secretary</p> <p style="text-align: center;"></p> <p>Kunal P. Shah CFO</p>		

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
1	<b>Significant Accounting Policies</b>		
(a)	<b>Basis of Accounting:</b> The financial statement is prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on accrual basis, except in respect of assets classified as Non Performing Assets (NPA).		
(b)	<b>Use of Estimates:</b> The presentation of financial statements in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those as estimated.		
(c)	<b>Revenue Recognition:</b> (i) Sale of goods: Revenue from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order. (ii) Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. (iii) Dividend: Dividend Income from investments are recognized when the right to receive payment is established.		
(d)	<b>Fixed Assets:</b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.		
(e)	<b>Depreciation and Amortisation:</b> Depreciation is provided on the straight line method based as per the rate specified in Schedule II of the Companies Act, 2013.		
(f)	<b>Investments:</b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments. Current investments are carried at lower of cost and fair values, determined on individual basis.		
(g)	<b>Inventories:</b> Inventories are recorded at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis, net realizable value is determined by management using technical estimates.		
(h)	<b>Borrowing Costs:</b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.		
(i)	<b>Retirement and other employee benefits:</b> The Company has adopted the policy to provide for the Liability for gratuity and leave encashment benefits on actuarial valuation. Actuarial Valuation report has been obtained for the liabilities for gratuity and leave encashment benefits and provision has been made.		
(j)	<b>Provisions, Contingent Liabilities and Contingent Assets:</b> A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.		
(k)	<b>Provision for Current and Deferred Tax:</b> Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period are capable of reversal in one or more subsequent period.		
(l)	<b>Foreign Currency Transaction:</b> a) Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction b) Monetary items denominated in foreign currency at the year end are restated at year end rates c) Non monetary foreign currency items are carried at cost		
(m)	<b>Impairments:</b> Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(n)	<b>Earning Per Share:</b> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The number of equity shares and potential dilutive equity shares are adjusted for bonus as		
(o)	<b>Share Issue Expenses:</b> Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under the Companies Act, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years.		

P. Shah

MS. JAVESH R. SHAH & CO. CHARTERED ACCOUNTANT

M. NO. 833864  
FRN 104182W  
MUMBAI



VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Financial Statements for the year ended 31st March, 2016					
Note No.	Particulars	As at 31/03/2016		As at 31/03/2015	
		No. of shares	%	No. of shares	%
2	<b>Share Capital</b>				
	<b>Authorised</b>		150,000,000		150,000,000
	1,50,00,000 Equity shares of Rs. 10/- each (Previous year 15,00,00,000 Equity shares of Rs. 10/- each)				
	<b>Issued, Subscribed and Paid up</b>		71,132,500		71,132,500
	71,13,250 Equity shares of Rs. 10/- each fully paid up (Previous year 7,11,32,500 Equity shares of Rs. 10/- each)		71,132,500		71,132,500
<b>Details of shares held by each share holders holding more than 5% shares</b>					
	Name of Shareholder	As at 31-03-2016		As at 31-03-2015	
		No. of shares	%	No. of shares	%
	Yogesh M. Shah	2,121,565	29.83	20,649,311	29.03
3	<b>Reserves and Surplus</b>	<b>As at 31st March, 2015</b>	<b>Addition during the year</b>	<b>Deduction during the year</b>	<b>As at 31st March, 2016</b>
	Security Premium Reserve	186,592,500	-	-	186,592,500
	General Reserve	10,000,000	-	-	10,000,000
	Surplus in statement of profit and loss	178,056,842	10,396,584	-	188,453,426
		374,649,342	10,396,584	-	385,045,926
		2016			2015
	Profit for the period		15,041,839		18,470,903
	Less Dividend on Equity Shares	4,267,950		4,267,950	
	Tax on Distributed Profits on Equity Shares	868,870		853,481	
Transfer to General Reserve		5,136,820		5,121,431	
		9,905,019		13,349,472	
4	<b>Money Received against share warrants</b>				
5	<b>Share Application Money pending allotment</b>				
6	<b>Long Term Borrowings</b>				
	<b>Secured</b>				
	HDFC Bank Term loan		16,683,166		26,245,586
	HDFC Bank Term loan - 2		5,926,237		
	HDFC Bank Car Loan Zylo		648,925		274,361
	HDFC Bank Maruti Eco Loan		152,099		246,646
	Term loan is against setting up the new engineering division and Factory Building at base rate+3.30% interest rate for 5 years. Car Loan is for purchase of car on 36 installments				
	<b>Unsecured</b>		23,410,427		26,766,593
7	<b>Deferred tax liabilities</b>				
	Deferred Tax Liabilities		31,878,376		32,478,650
	Deferred Tax Assets		712,893		479,401
	Deferred Tax Liabilities (Net)		31,165,483		31,999,249
8	<b>Other Long term liabilities</b>				
	Factory Deposits		30,000,000		20,000,000
			30,000,000		20,000,000
9	<b>Long term provisions</b>				
	Provision for Gratuity		2,097,362		1,410,417
			2,097,362		1,410,417
10	<b>Short-term borrowings</b>				
	<b>Secured</b>				
	HDFC Bank CC		29,108,952		28,163,105
	HDFC Bank OD A/c				
	CC Limit and OD against stock and debtors @ base rate plus 3% interest rate				
	<b>Unsecured</b>				
	From Directors		12,900,000		
	intercorporate Deposits		19,066,134		
	Other Deposits/Advances				
			61,075,086		28,163,105
11	<b>Trade payables</b>				
	Trade payables due to Micro, Small and Medium Ent.		60,583,019		103,091,978
	Trade Payable Others (net of Advances)		2,599,500		43,880,000
	Due from Related parties				
	Others		63,182,519		146,971,978

P. G. G. G.

W.



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
12	<b>Other current liabilities</b>		
	Current maturities of long term debts	-	-
	Other payables-employees	-	-
	Trade deposits and Advances	1,793,725	5,557,968
	VAT, TDS, Service tax and Withholding tax payable	-	-
	Interest accrued and due	-	-
	Interest accrued but not due	-	-
	Unpaid matured deposits and interest accrued thereon	-	-
	Other payables	40,855,305	-
		<u>42,659,030</u>	<u>5,557,968</u>
13	<b>Short-term provisions</b>		
	Dividends on Equity shares (Including Dividend Dist Tax)	5,136,820	5,121,431
	Income Tax and Wealth Tax	3,553,739	13,291,361
	Employees benefits	-	33,366
	Others (including provision for MTM on forward contracts)	-	-
		<u>8,690,559</u>	<u>18,446,158</u>
14	<b>Fixed Assets</b>		
	Gross Amount	204,787,816	194,202,105
	Less Depreciation & Amortisation of Expenses	47,625,145	38,629,555
		<u>157,162,471</u>	<u>155,572,550</u>
15	<b>Non-current investments</b>		
	(All unquoted unless otherwise specified)		
	Veer Enterprise GmbH-100% subsidiaries in Germany Euro 25000 as Capital and Euro 73500 as loan	6,684,527	6,684,527
	Shruti Power Projects Pvt. Ltd. 100% Subsidiary Capital Rs.190000000/- and Loan Rs.96500000/-	286,500,000	220,400,000
	Trade Investments - NSC-VIII issue	30,000	30,000
		<u>293,214,527</u>	<u>227,114,527</u>
16	<b>Deferred tax assets (Net)</b>		
17	<b>Long term loans and advances</b>		
	Business advances-Considered good		
	Uttar Gujarat Vj Co. Ltd.	44,849	44,849
	Office/Residence Deposits	15,000,000	15,000,000
		<u>15,044,849</u>	<u>15,044,849</u>
18	<b>Other non-current assets</b>		
	Share issue expenses c/d		
19	<b>Current investments</b>		
	Trade Investments		
	HDFC Bank FD-For Bank guarantee facility	320,056	2,485,924
		<u>320,056</u>	<u>2,485,924</u>
20	<b>Inventories</b>		
	Raw Material		
	Solar Panel	560,022	560,022
	Work in Progress		
	Land for Wind farm	75,365,292	81,216,292
	Erection and commissioning product	-	-
	Foundation material	-	-
	Power Evacuation Facilities	96,171,047	96,171,047
	Engineering Division	3,052,653	59,894
	Op & Maint. Products	168,524	84,179
	Electrical Material	-	-
	WTG	-	-
		<u>175,318,538</u>	<u>178,091,433</u>
21	<b>Trade receivables</b>		
	Secured		
	Unsecured		
	More than 6 months considered good	12,022,887	28,516,465
	Other receivables considered good	32,654,887	44,982,348
		44,677,774	73,498,813
	Less Provision for doubtful debts		
		<u>44,677,774</u>	<u>73,498,813</u>

P. G. S.

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DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1.04.2015	ADDITION DURING THE YR.	DISP. DURING THE YR.	As at 31.03.2016	Up To 1.04.2015	On Op. Bal	On Add. Production	For the Year 2015-16	Up To 31.03.2016	As at 31.03.2016	As at 31.3.2015
Factory Land at Chaugodar	12708400	0	0	12708400	0	0	0	0	0	12708400	12708400
Factory Building at Chaugodar	20666404	0	0	20666404	1808660	655125	0	655125	1735085	18900419	19855544
Factory Shed at Chaugodar	5544236	0	0	5544236	359521	175752	0	175752	526703	5017533	5193285
Factory Shed at Chaugodar	3944400	0	0	3944400	185500	24966	0	24966	163526	230874	255840
Air Conditioner - Mumbai	201587	0	0	201587	49978	12760	0	12760	53788	1478849	160009
Air Conditioner - Ahmedabad	25200	0	0	25200	14692	4788	0	4788	19480	5720	10508
Equip - Ahmedabad	197135	14500	0	211635	141601	37456	294	37456	179351	32384	55534
Office Equipments	3300	0	0	3300	627	627	0	627	948	232	2079
Alarm Lock	10000	0	0	10000	973	1900	0	1900	2873	7127	9027
Attendance Machine	1187702	0	0	1187702	26989	75182	0	75182	102121	108581	1160763
IT	502040	0	0	502040	524306	37534	0	37534	562040	0	37534
Computer - Mumbai	188422	46800	0	235222	177153	112691	5886	17075	194228	4994	112691
Computer - Ahmedabad	2536837	0	0	2536837	901516	241000	0	241000	1142516	1394321	1635321
Furniture & Fixtures - Mumbai	499871	14100	0	513971	103218	38018	822	30760	142978	280993	306653
Furniture & Fixtures - Ahmedabad	95490	0	0	95490	60421	9072	0	9072	15714	79776	88848
A.C. TV Camera - Factory	86625	0	0	86625	54099	6519	0	6519	60618	8807	14526
Property - Mumbai	398119	0	0	398119	176021	24929	0	24929	203550	192269	217198
Three Phase Transformer	237518	0	0	237518	94973	15035	0	15035	110008	127310	142545
Coil Winding Machine	1060875	0	0	1060875	375062	67153	0	67153	443715	617161	684313
CT Testing Panel	172950	0	0	172950	65508	10448	0	10948	76456	96494	107442
Vacuum Pump	226880	0	0	226880	31544	14356	0	14356	49001	189901	195256
Air Compressor	248600	0	0	248600	34360	33586	0	33586	15420	194394	210014
Automatic Voltage Regulator	449501	0	0	449501	55966	28453	0	28453	84439	365062	393515
CNC Tools holders	449501	0	0	449501	55966	28453	0	28453	84439	365062	393515
CNC Turning Center - Haas - FTC - 301	3356218	0	0	3356218	456361	201275	0	201275	636911	2542788	2744063
CNC VMC - 1800 AVF - 3 - Haas	8190000	0	0	8190000	9942	212449	0	212449	672270	2683948	2896397
CNC VTC - 2 P-MTR	14977264	0	0	14977264	201801	98861	0	98861	9942	8180038	8180038
CNC VTC - Xongji - YV - 1200ATC	2900000	0	0	2900000	183570	183570	0	183570	2966262	13011002	12959063
Grate of 40 Tm	400600	0	0	400600	30929	183570	0	183570	382490	2317361	2501071
Radiol Drill Machine VR-4	493800	23000	0	516800	46817	25358	0	25358	71975	328625	353983
Lathe Machine	1200000	0	0	1200000	31017	9882	0	9882	40899	94435	015565
WTG-225kw-Cof-1	1200000	0	0	1200000	55336	31017	0	31017	4462338	7537642	8107642
WTG-225kw-Cof-2	1880000	0	0	1880000	3821928	570000	0	570000	4391978	7608072	8178072
WTG-225kw-Cof-3	1880000	0	0	1880000	2907937	513000	0	513000	3420937	7379063	7892063
WTG-225kw-Cof-4	1880000	0	0	1880000	2907937	513000	0	513000	3420937	7379063	7892063
WTG-225kw-Cof-5	1880000	0	0	1880000	2907937	513000	0	513000	3420937	7379063	7892063
WTG-850kw-Cof-6	4786415	0	0	4786415	9094428	227607	0	227607	11368035	36497380	3877098
WTG-850kw-Cof-7	2905608	1956182	0	4861790	527327	183929	83882	267911	793238	4606012	232834
Wind Mast	1012388	0	0	1012388	833664	120272	0	120272	953936	58452	17827
Car Chevrolet	660040	0	0	660040	509305	78888	0	78888	588933	79447	154853
Car Swift DZire	454000	0	0	454000	241000	53935	0	53935	295535	158465	212400
Maruti Waggon	56172	0	0	56172	20932	6673	0	6673	27625	26547	35220
Activa	722511	0	0	722511	188141	42300	0	42300	0	0	554370
Zolo Car	88254	0	0	88254	921594	36295	0	36295	36295	88254	0
Zolo Car-2	194152951	1135716	722511	204787616	38580396	9108197	147023	92552015	47625145	157164471	155572555
Maruti Eco	194152951	1135716	722511	204787616	38580396	9108197	147023	92552015	47625145	157164471	155572555
Previous Year	194152951	1871836	2263008	194202105	28485116	8860627	80992	103135194	38629550	155572555	166030153

Handwritten signatures and initials: *R. S. M.*, *N.*, *M.*

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
22	<b>Cash and cash equivalents</b>		
	Cash in hand and as Imprest	301,918	65,167
	Cheques/ Drafts in hand	-	-
	On Current Account	256,067	279,937
	On Dividend Account	-	-
	On Deposit Account	-	-
	As Margin money	-	-
		<u>557,985</u>	<u>345,104</u>
23	<b>Short-term loans and advances</b>		
	Loans and Advances to Related Parties	-	-
	Loans and Advances to Others	15,162,078	-
	Unsecured, considered good	-	48,564,724
	Deposits-intercorporate	200,000	-
	Deposits/Balances with Excise/VAT authorities	-	7,161,379
	Advance payment of Income Tax/Wealth Tax/TDS	9,871,085	17,218,007
	Advance payment of VAT/Service tax	6,929,529	-
		<u>32,162,692</u>	<u>72,944,110</u>
24	<b>Other current assets</b>		
25	<b>Revenue from operations</b>		
	Sales of Infrastructure Products	274,921,134	351,105,571
	Sales of Services	22,356,767	16,496,647
	Sales-Engineering Division	22,826,911	16,448,070
	Sales-Trading	159,896,381	84,109,467
	Other Operating Income	10,218,110	9,153,602
		490,219,303	477,313,357
	Less: Excise Duty	-	-
	Net Sales	<u>490,219,303</u>	<u>477,313,357</u>
	<b>Particulars of Sale of Products &amp; Services</b>		
	Sale of Infrastructure under works contract	274,921,134	351,105,571
	Sale of Services is O & M of WTG infrastructure	22,356,767	16,496,647
	Sale of Engineering Division	22,826,911	16,448,070
	Trading in Copper Tube and MS items	159,896,381	84,109,467
	Other operative income - power generation	10,218,110	9,153,602
26	<b>Other Income</b>		
	Interest from Others	15,666	546,215
	Dividend	-	-
	Net Gain/Loss on sale of current Investments	-	964,086
	Other Non operating Income	804,666	350,000
		<u>820,332</u>	<u>1,860,301</u>
27	<b>Cost of materials consumed</b>		
28	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Infrastructure under W/C	243,620,740	225,591,236
	Purchase of Services-O & M Charges	14,040,663	13,569,317
	Purchase of Engineering Division	12,400,250	7,648,438
	Purchase-Trading	159,066,647	82,249,862
		<u>429,128,300</u>	<u>329,058,853</u>
29	<b>Change in Inventories of finished goods, WIP and Stock in Trade</b>		
	<b>Stock at close</b>		
	Lands for windfarm	75,366,292	81,216,292
	Erection and commissioning products	-	-
	Foundation materials	-	-
	Power evacuation facilities	96,171,047	96,171,047
	Engineering Division	3,052,653	59,894
	Op. & Maint. Products	188,524	84,179
	Electrical Material	-	-
	WTG	-	-
	Solar Panel	560,022	560,022
		<u>175,318,538</u>	<u>178,091,433</u>
	<b>Stock at commencement</b>		
	Lands for windfarm	81,216,292	37,506,500
	Erection and commissioning products	-	-
	Foundation materials	-	-
	Power evacuation facilities	96,171,047	201,569,229
	Sub station at Bhavnagar	-	903,365
	Job Work	-	1,138,678
	Engineering Division	59,894	-
	O & M products	84,179	-
	WTG Machine	-	7,450,000
	Solar Panel	560,022	560,022
		<u>178,091,434</u>	<u>249,187,794</u>
		<u>2,772,896</u>	<u>71,096,361</u>

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VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
30	<b>Employee benefit expense</b>		
	Salaries, Wages, Bonus, Gratulities & Allowances	9,709,717	7,814,116
	Staff Welfare Expenses	212,657	374,872
		<u>9,922,374</u>	<u>8,188,988</u>
31	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	4,059,632	5,064,988
	Bank Charges	662,362	518,224
		<u>4,721,994</u>	<u>6,183,212</u>
32	<b>Other expenses</b>		
	<b>Direct Expenses - A</b>		
	Consumables	-	556,310
	Freight	-	12,950,181
	Cateco/GEDA/MEDA Liasoning Fees	5,264,084	-
	Gujarat Energy Development Agency Fees	-	-
	Rent	879,456	153,821
	VAT/CS1/Sec Tax paid	330,201	1,412,146
	Land Survey / Lease Rent	80,765	2,103,455
	Petroleum, Power & Fuel	173,346	198,797
	Security Charges	2,106,136	2,133,098
	Wind Research expenses	-	25,360
	Other Direct Expenses	-	-
		<u>8,813,968</u>	<u>19,532,158</u>
	<b>Administration &amp; Establishment Expenses - B</b>		
	Rent, Rates & taxes	-	-
	Insurance	703,312	757,282
	Advertisement, publicity & sales promotion	461,132	1,310,097
	Travelling & other incidental expenses	604,540	684,410
	Office maintenance	243,925	377,145
	Vehicle running & maintenance	61,005	190,719
	Printing & stationery	77,780	350,313
	Communication expenses	283,820	307,027
	Staff recruitment & training	-	-
	Donation	-	-
	Auditors remuneration As auditors	275,000	275,000
	for tax audit	25,000	25,000
	for certification/limited review	50,000	50,000
	out of pocket expenses	-	-
	Repairs Others	184,298	438,868
	Machineries	-	-
	Office building	-	-
	Legal, professional & consultancy charges	2,084,024	1,834,696
	Engineering Division Expenses	2,978,843	2,945,502
	Director's sitting fees	-	-
	Director's commission	-	43,387
	Discount	-	-
	Listing/custodian Exp Fees	372,520	341,902
	Miscellaneous expenses	70,837	352,717
	Share issue expenses w/Off	-	629,810
	Loss on Sale of Car	187,040	-
	Bad debts/irrecoverable advances written off	-	1,533,990
		<u>8,663,076</u>	<u>12,448,264</u>
	<b>Total A + B</b>	<u>17,477,044</u>	<u>31,980,423</u>
33	<b>Exceptional Items</b>	0	0
34	<b>Extraordinary Items</b>	0	0
35	<b>Profit/(Loss) from discontinuing operations</b>	0	0

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VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
36	<b>Value of Imports on CIF basis in respect of:</b>	2015-16	2014-15
	Raw Material	Nil	Nil
	Components and Spare Parts	Nil	Nil
	Capital Goods	Nil	Nil
37	<b>Expenditure in Foreign Currency on account of:</b>		
	a) Royalty, know how, professional, consultation fees, interest and other matters	Nil	Nil
	b) Travelling	Nil	Nil
38	<b>Dividend remitted in foreign currency</b>	Nil	Nil
39	<b>Value of Imported and Indigenous material consumed &amp; percentage thereof</b>	Value	%
	Value of Imported material consumed	-	-
	Value of Indigenous material consumed	417,860,533	100
	<b>Total</b>	<b>417,860,533</b>	<b>100</b>
40	<b>Earning in foreign exchange</b>		
	FOB value of exports	-	-
	Royalty, know how Professional and consultancy fees	-	-
	Interest and dividends	-	-
	Other Income	-	-
41	<b>Earning per share (EPS)</b>		
	i) Net Profit after tax as per statement of Profit and Loss	15,041,839	18,470,903
	ii) Weighted average number of equity shares used as denomination for calculating EPS	7,113,250	71,132,500
	iii) Basic Earning per share	2.11	0.26
	Diluted Earning per share	2.11	0.26
	iv) Face Value per equity share	10.00	1.00
42	<b>Payment to Auditors</b>		
	a) As Auditor	275,000	275,000
	b) As Advisor or in any other capacity		
	i) Taxation matters (Tax Audit)	25,000	25,000
	ii) Company Law matters	-	-
	iii) Management services	-	-
	c) In any other manner- Limited Review Report	50,000	50,000
43	<b>Employees Retirement Benefits</b>		
	As required under the accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer" Actuarial Valuation Report has been obtained for the liabilities for gratuity and leave encashment benefits. The amount as per report is Rs 686945/- for the year which has been provided in the accounts but investments of the total amount till date Rs 2097362/- has not been made so far		
44	<b>Segment Reporting as required under Accounting Standard 17</b>		
	Primary Segment	Energy & Infrastructure	82.73
		Engineering Division	4.65
	Secondary Segment	Trading	32.62
	Geographical Segment	100% Revenue from India only.	76.93
			3.45
			17.62
45	<b>Related parties disclosure in accordance with the Accounting Standard 18</b>		
	List of Related Parties: Enterprise owned or significantly controlled by the Directors of the Company		
	The name of the Company/Firm	Director Interested	Capacity
	1 M/s. Veerhealth Care Limited	Yogesh M. Shah	Director
	2 M/s. Shruti Power Projects Pvt. Ltd.	Yogesh M. Shah	Director
	3 M/s. Krupa Wind tech Pvt. Ltd.	Yogesh M. Shah	Director
	4 M/s. Ruchi Windfarm Pvt. Ltd.	Yogesh M. Shah	Director
	5 M/s. Arpan Housing Company	Yogesh M. Shah	Proprietor
	6 M/s. Daansh Engineering	Prakash C. Shah	Proprietor
	7 M/s. Kunal Traders	Prakash C. Shah	Proprietor
	8 M/s. Shruti Y. Shah	Yogesh M. Shah	Daughter
	9 M/s. Veerhealth Care Limited	Mitesh Kuvadia	Director
	10 M/s. Ratnakar Fasteners Private Limited	Mitesh Kuvadia	Director
	11 Mehta Chetan & Associates	Chetan Mehta	Proprietor
	12 Ms. Krupa Y. Shah	Yogesh M. Shah	Daughter
	<b>Key Managerial Person</b>		
	Mr. Yogesh M. Shah	Managing Director	
	Mr. Prakash C. Shah	Executive Director	
	Mr. Nilay P. Shah	Executive Director	
	Mr. Kunal P. Shah	Chief Financial Officer	
	Ms. Nipa Shah	Company Secretary	
	Transaction with related party		
	M/s. Veerhealth Care Ltd.	Sale of Machinery	7,512,755
	M/s. Daansh Engineering	Sale of Goods	148,165
	M/s. Daansh Engineering	Purchase of Machines	2,599,500
	M/s. Shruti Power Projects Pvt. Ltd.	Loan Given	96,500,000
	Mr. Yogesh M. Shah	Remuneration Paid	1,950,000
	Mr. Prakash Shah	Remuneration Paid	975,000
	Mr. Nilay Shah	Remuneration Paid	910,000
	Ms. Nipa Shah	Salaries Paid	208,000
	Ms. Shruti Y. Shah	Salaries Paid	-
	Ms. Krupa Y. Shah	Salaries Paid	260,000
	Details of outstanding with Related Party at the end of the year	31/03/2016	31/03/2015
	Veerhealth Care Limited		
	Daansh Engineering	2,496,495 Dr.	195,479 Dr.
	M/s. Shruti Power Projects Pvt. Ltd.	96,500,000 Dr.	30,400,000 Dr.



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VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
46	There are no pending capital commitments.		
47	<p><b>Contingent Liabilities</b></p> <p>The Company has a 100% subsidiary in Germany named " Veer Enterprise - GmbH" Subsidiary has incurred a loss of INR 347,317/- equivalent to Euro 4625/- during the year 2015 -16. The accumulated loss is INR 9529619/- equivalent to Euro 126900/- The investment of the Company so far is Euro 25000/- in equity and Euro 73500/- as loan totalling to Euro 98500/- Hence there is a contingent liability to the tune of Euro 30,616/- equivalent to INR 2,299,124/- as on 31st March, 2016 considering the exchange rate of 1 Euro = INR 75.0955 as per RBI reference rate. The management is hopeful to recover the losses of subsidiary in future.</p>		
48	<p>The Company has no liability under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure regarding the following has not been provided:</p> <p>(a) Amount due and outstanding to suppliers as the end of accounting year.</p> <p>(b) Interest paid during the year.</p> <p>(c) Interest payable at the end of the accounting year; and</p> <p>(d) Interest accrued and unpaid at the end of the accounting year.</p>		
49	<p>The Company has floated a 100% subsidiary "Veer Enterprise-GMBH" in Germany to explore the possibility of expansion in the field of non conventional energy with the help of collaboration with any company in this field with a wide experience and capital resources. The main idea is to make development in India only at a later stage. The subsidiary is incurring losses, but the management is hopeful to recover the same in future. The management has taken care to minimise the expenses.</p>		
50	<p>The Company has also 100% subsidiary in India "Shruti Power Projects Pvt Ltd" The subsidiary is engaged in the same business of non conventional energy.</p>		
51	<p>Previous year figures have been regrouped &amp; rearranged wherever necessary.</p>		
<p>As per our report of even date attached                      For JAYESH R SHAH &amp; CO.                      Chartered Accountants                      Firm Regn.No.104182W</p>			
<p><i>Jayesh Shah</i>                      Jayesh Shah                      Proprietor                      Membership No.033864</p>		<p>For and on Behalf of the Board</p> <p><i>Yogesh Shah</i>                      Yogesh Shah                      Managing Director                      DIN: 00169189</p> <p><i>Prakash Shah</i>                      Prakash Shah                      Executive Director                      DIN: 01660194</p> <p><i>Nipa Shah</i>                      Nipa Shah                      Company Secretary</p> <p><i>Kunal P. Shah</i>                      Kunal Shah                      CFO</p>	
<p>Place: Mumbai                      Date: 27th May, 2016</p>			



## INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,  
The Members of  
**VEER ENERGY & INFRASTRUCTURE LIMITED**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Veer Energy & Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such





controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31<sup>st</sup> March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

We did not audit the financial statements of M/s. Veer Enterprise-GmbH a 100 % subsidiary, whose financial statements duly certified by two Directors of the Holding Company reflect total assets of Rs.166412/- as at 31<sup>st</sup> March, 2016, total revenues of Rs. Nil and net cash flows amounting to Rs.374248/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements submitted by the Directors of the Holding Company.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

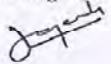
### **Report on Other Legal and Regulatory Requirements**

1. i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii) As required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure-B a Report on the Internal Financial Controls over financial reporting.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. the reports on the accounts of the branch offices of the Holding Company, and its subsidiaries have been properly dealt with in preparing this report.



- d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- e. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. there were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
  - ii. the Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W



Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 27<sup>th</sup> May, 2016

**Annexure-A referred to in paragraph (1) under “Report on Other Legal and Regulatory Requirements” of Independent Auditors Report of even date.**

- 1) (i) The Group has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.  
 (ii) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.  
 (iii) As per the information available, the title deeds of immoveable properties are held in the name of the Group Company.
- 2) (i) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable.  
 (ii) In our opinion and according to the information and explanation given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;  
 (iii) The Group has maintained proper records of inventories. As explain to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- 3) As per the information furnished, the Company has granted unsecured interest free loans to its subsidiary covered in the Register, maintained under Section 189 of the Companies Act, 2013;  
 (i) In our opinion, the terms and conditions of such loans are not prejudicial to the interest of the Company.  
 (ii) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;  
 (iii) In respect of such loans given by the Company, there are no overdue amounts for more than 90 days.
- 4) In our opinion, in respect of loans given, the provisions of sections 185 and 186 of the Companies Act, 2013 have been complied with.
- 5) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- 6) As per the information provided, the Company is not covered under Section 148 of the Companies Act, 2013, hence not required to maintain cost records.
- 7) (i) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they become payable.  
 (ii) According to the records of the Company and information and explanation given to us and record verified by us the outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax, service tax, cess which have not been deposited, with the appropriate authorities on account of disputes are as under:



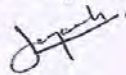


Sr. No	Name of the Statute	Nature of Dues	Amt Due	Period to which the amt. relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	126913/-	A.Y.2010-11	Appeal order passed and payable, demand notice not yet received
2	Income Tax Act, 1961	Income tax	447270/-	A.Y.2010-11	Appeal withdrawn from Tribunal hence payable but not paid

(iii) According to the information and verification of the records, we are of the opinion that the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under is nil as on the date of the financial year end.

- 8) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the group/Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
- 9) According to the records of the Company and information and explanation given to us and record verified by us, we are of the opinion that moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- 10) On the basis of our examination and according to the information and explanations given to us, no material fraud, on or by the group/Company, has been noticed or reported during the year under audit.
- 11) From verification of records, in our opinion, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) None of the Company is a Nidhi Company hence not applicable.
- 13) As per the verification of the records, we are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- 14) The group/company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) The group/company has not entered into any non-cash transactions with directors or persons connected with him.
- 16) The group/company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W



Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 27<sup>th</sup> May, 2016



**Annexure- B referred to in paragraph (1) under “Report on Other Legal and Regulatory Requirements” of Independent Auditors Report of even date.**

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

In conjunction with my audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016 I have audited the internal financial controls over financial reporting of Veer Energy and Infrastructure Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are 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 the respective 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.

**Auditor’s Responsibility**

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI 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, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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. I believe that the audit evidence I have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for my /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.

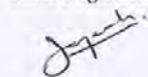
#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In my our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, 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 March 31, 2016, 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 Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Registration No.104182W



Jayesh Shah  
Proprietor  
Membership No. 033864

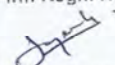


Place: Mumbai  
Date: 27<sup>th</sup> May, 2016

VEER ENERGY & INFRASTRUCTURE LIMITED			
Consolidated Balance Sheet as at 31st March, 2016			
Particulars	Note No	As at 31/03/2016	As at 31/03/2015
<b>I. EQUITY AND LIABILITIES</b>			
(1) <u>Shareholder's Funds</u>	2	71,132,500	71,132,500
(a) Share Capital	3	370,166,508	364,823,638
(b) Reserves and Surplus	4	-	-
(c) Money received against share warrants	5	-	-
(2) <u>Share application money pending allotment</u>	5	-	-
(3) <u>Non-Current Liabilities</u>	6	404,141,551	422,697,042
(a) Long-term borrowings	7	31,165,483	31,999,249
(b) Deferred tax liabilities (net)	8	30,000,000	20,000,000
(c) Other Long term liabilities	9	2,097,362	1,410,417
(d) Long term provisions			
(4) <u>Current Liabilities</u>	10	61,075,086	28,163,105
(a) Short-term borrowings	11	170,329,841	314,334,300
(b) Trade payables	12	58,564,830	5,849,805
(c) Other current liabilities	13	8,690,559	18,446,158
(d) Short-term provisions			
<b>Total</b>		<b>1,207,363,720</b>	<b>1,278,856,214</b>
<b>II. ASSETS</b>			
(1) <u>Non-current assets</u>	14	730,490,615	155,572,550
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development	15	30,000	30,000
(b) Non-current investments	16	-	-
(c) Deferred tax assets (net)	17	15,044,849	15,044,849
(d) Long term loans and advances	18	20,000	3,005,945
(e) Other non-current assets			
(2) <u>Current assets</u>	19	320,056	2,485,924
(a) Current investments	20	175,318,538	941,387,510
(b) Inventories	21	51,077,153	73,498,813
(c) Trade receivables	22	23,754,098	342,479
(d) Cash and cash equivalents	23	32,462,692	87,488,144
(e) Short-term loans and advances	24	178,845,719	-
(f) Other current assets			
<b>Total</b>		<b>1,207,363,720</b>	<b>1,278,856,214</b>

Notes Financial Statements and Significant Accounting Policies  
The note No. 1 to 51 forms an integral part of these Financial Statements

As per our Report of Even date Attached  
For Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 104182W

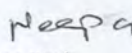
  
Jayesh Shah  
Proprietor  
M.No. 033864

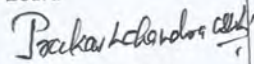
Place: Mumbai  
Date: 27th May, 2016



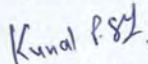
For and on behalf of the Board

  
Yogesh Shah  
Managing Director  
DIN: 00169189

  
Nipa Shah  
Company Secretary



Prakash Shah  
Executive Director  
DIN: 01660194

  
Kunal P. Shah  
CFO



VEER ENERGY & INFRASTRUCTURE LIMITED			
Consolidated Statement of Profit and Loss for the year ended 31st March, 2016			
Particulars	Note No	2015-16	2014-15
I. Revenue from operations	25	528,499,576	477,313,357
II Other Income	26	820,332	1,860,301
		<b>529,319,908</b>	<b>479,173,658</b>
III. Total Revenue (I+II)			
IV. Expenses:	27	-	-
Cost of Material consumed	28	429,128,300	1,092,354,930
Purchase of Stock in Trade	29	2,772,896	(692,199,716)
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	30	10,659,456	9,301,378
Employees benefits expenses	31	30,980,971	6,304,374
Finance Cost	14	21,024,587	10,313,519
Depreciation and amortisation expenses	32	22,045,600	32,341,935
Other expenses			
		<b>516,611,810</b>	<b>458,416,420</b>
IV. Total Expenses			
V. Profit before exceptional and extraordinary items and tax (III-IV)		12,708,098	20,757,238
VI. Exceptional Items	33	-	-
VII. Profit before extraordinary items and tax (V-VI)		12,708,098	20,757,238
VIII. Extraordinary Items	34	-	-
IX. Profit before tax (VII-VIII)		12,708,098	20,757,238
X. Tax expense:			
(1) Current tax		3,553,739	5,545,204
(2) Deferred tax		(833,766)	(1,663,805)
		2,719,973	3,881,399
XI. Profit/(Loss) from the period from continuing operations (IX-X)		9,988,125	16,875,839
XII. Profit/(Loss) from discontinuing operations	35	-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI+XIV)		9,988,125	16,875,839
XVI. Earning per equity share of Rs. 10/- face value (31st March, 2015: Rs. 1/- face value)		1.40	0.24
(1) Basic		1.40	0.24
(2) Diluted		-	-

Notes Financial Statements and Significant Accounting Policies  
The note No. 1 to 51 forms an integral part of these Financial Statements

As per our Report of Even date Attached  
For Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 104182W

Jayesh Shah  
Proprietor  
M.No. 033864  
Place: Mumbai  
Date: 27th May, 2016



For and on behalf of the Board

Yogesh Shah  
Managing Director  
DIN: 00169189

Nipa Shah  
Company Secretary

Prakashchandra

Prakash Shah  
Executive Director  
DIN: 01660194

Kunal P. S.  
Kunal Shah  
CFO

VEER ENERGY & INFRASTRUCTURE LIMITED		
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016		
	2015-16	2014-15
<b>A Cash Flow from Operating Activities</b>		
Net Profit before tax	12,708,098	20,727,238
<b>Adjustments for :</b>		
Depreciation/Amortisation	21,024,587	10,313,519
Share Issue Expenses written off	-	619,810
Right Issue Expenses written off	491,564	-
Prior year adjustment	(820,332)	(1,860,301)
Other Income		
Operating Profit before Working Capital Changes	<b>33,403,917</b>	<b>29,800,266</b>
<b>Adjustments for :</b>		
(Increase) / Decrease in Long term loans and advances	2,985,945	3,491,100
(Increase) / Decrease in Other non current assets	766,068,972	(2,995,944)
(Increase) / Decrease in Inventories	22,421,660	(692,199,716)
(Increase) / Decrease in Trade Receivable	55,025,452	224,601,367
(Increase) / Decrease in short term loans and Advances	(178,845,719)	(14,013,067)
(Increase) / Decrease in Other Current Assets	2,165,868	-
(Increase) / Decrease in Current Investments	10,000,000	5,327,953
Increase /(Decrease) in other long term liabilities	686,945	188,112
Increase /(Decrease) in Long term provisions	32,911,981	(18,467,646)
Increase /(Decrease) in Short Term Borrowings	(144,004,459)	81,689,260
Increase /(Decrease) in Trade Payables	52,715,025	(1,048,839)
Increase /(Decrease) in Other Current Liabilities	(9,755,599)	5,706,713
Increase /(Decrease) in Short Term Provisions	612,376,072	(377,920,441)
Cash generated from Operations	3,553,739	5,545,204
Current and Deferred Tax Adjustment		
Net Cash (used) / from Operating Activities	<b>608,822,333</b>	<b>(383,465,645)</b>
<b>B Cash flow from Investing Activities</b>		
Sale/(Purchase) of Fixed Assets	(562,538,735)	144,078
Sale/(Purchase) of Non Current Investments	-	-
Increase/(Decrease) in Share Capital	-	-
Increase/(Decrease) in Reserves	(18,555,491)	386,407,700
Increase/(Decrease) of Long Term Borrowings		
Loss on Sale of Leased Assets	820,332	1,860,301
Interest & Other Income		
Net Cash (used in) / from Investing Activities	<b>(580,273,893)</b>	<b>388,412,079</b>
<b>C Cash flow from Financial Activities</b>		
Dividend Paid	5,136,820	5,121,431
Interest Paid		
Net Cash (used in) / from Financing Activities	5,136,820	5,121,431
Net changes in cash & cash equivalents (A + B + C)	23,411,619	(174,998)
Cash & cash equivalents - Opening Balance	342,479	517,477
Cash & cash equivalents - Closing Balance	<b>23,754,098</b>	<b>342,479</b>

For Jayesh R. Shah & Co.  
Chartered Accountants  
Firm Regn.No. 104182W

Jayesh Shah  
Proprietor  
M. No. 033864

Place: Mumbai  
Date: 27th May, 2016



For and on behalf of the Board

Yogesh Shah  
Managing Director  
DIN: 00169189

Nipa Shah  
Company Secretary

Prakash Shah  
Executive Director  
DIN: 01660194

Kunal Shah  
CFO



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
1	<b>Significant Accounting Policies</b>		
(a)	<b>Basis of Accounting:</b> The financial statement is prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on accrual basis, except in respect of assets classified as Non Performing Assets (NPA).		
(b)	<b>Use of Estimates:</b> The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those of estimated.		
(c)	<b>Revenue Recognition:</b> (i) Sale of goods Revenue from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order. (ii) Interest Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. (iii) Dividend Dividend income from investments are recognized when the right to receive payment is established.		
(d)	<b>Fixed Assets:</b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.		
(e)	<b>Depreciation and Amortisation:</b> Depreciation is provided on the straight line method based as per the rate specified in Schedule II of the Companies Act, 2013.		
(f)	<b>Investments:</b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments are carried at lower of cost and fair values, determined on individual basis.		
(g)	<b>Inventories:</b> Inventories are at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis, net realizable value is determined by management using technical estimates.		
(h)	<b>Borrowing Costs:</b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.		
(i)	<b>Retirement and other employee benefits:</b> The Company has adopted the policy to provide for the liability for gratuity and leave encashment benefits on actuarial valuation. Actuarial Valuation report has been obtained for the liabilities for gratuity and leave encashment benefits and provision has been made.		
(j)	<b>Provisions, Contingent Liabilities and Contingent Assets:</b> A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.		
(k)	<b>Provision for Current and Deferred Tax:</b> Provision for current income tax is made in accordance with the Income Tax Act 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period are capable of reversal in one or more subsequent period.		
(l)	<b>Foreign Currency Transaction:</b> a) Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. b) Monetary items denominated in foreign currency at the year end are restated at year end rates. c) Non monetary foreign currency items are carried at cost.		
(m)	<b>Impairments:</b> Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(n)	<b>Earning Per Share:</b> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of shares outstanding during the period adjusted for the effects of all dilutive potential equity shares. The number of equity shares and potential dilutive equity shares are adjusted for bonus as appropriate.		
(o)	<b>Share Issue Expenses:</b> Share issue expenses are redemption premium are adjusted against the Securities Premium Account as permissible under the Companies Act, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years.		

VI. P. Shah, M. Y.





VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016					
Note No.	Particulars	As at 31/03/2016		As at 31/03/2015	
2	<b>Share Capital</b>				
	<b>Authorised</b>		150,000,000	150,000,000	
	1,50,00,000 Equity shares of Rs. 10/- each (Previous year 15,00,00,000 Equity shares of Rs 1/- each)				
	<b>Issued, Subscribed and Paid up</b>		71,132,500	71,132,500	
	71,13,250 Equity shares of Rs. 10/- each fully paid up (Previous year 7,11,32,500 Equity shares of Rs 1/- each)		71,132,500	71,132,500	
<b>Details of shares held by each share holders holding more than 5% shares</b>					
	Name of Shareholder	As at 31-03-2016		As at 31-03-2015	
		No. of shares	%	No. of shares	
	Yogesh M. Shah	2,121,565	29.83	20,649,311	
3	<b>Reserves and Surplus</b>	As at 31st March, 2015	Addition during the year	Deduction during the year	As at 31st March, 2016
	Security Premium Reserve	186,562,500	-	-	186,562,500
	General Reserve	10,000,000	-	-	10,000,000
	Surplus in statement of profit and loss	168,231,136	5,342,870	-	173,574,008
		364,823,636	5,342,870	-	370,166,508
		2015	2016	2015	2016
	Profit for the period		9,988,125		16,845,839
	Loss: Dividend on Equity Shares	4,267,950	-	4,267,950	-
	Tax on Distributed Profits on Equity Shares	858,870	-	853,481	-
	Transfer to General Reserve	-	5,138,820	-	5,121,431
		4,861,305		11,724,408	
4	<b>Money Received against share warrants</b>				
5	<b>Share Application Money pending allotment</b>				
6	<b>Long Term Borrowings</b>				
	<b>Secured</b>				
	HDFC Bank Term loan	16,683,166		26,245,596	
	HDFC Bank Term loan - 2	5,926,237		274,361	
	HDFC Bank Car Loan-Zylo	648,925		246,646	
	HDFC Bank Maruti Eco Loan	152,099			
	Term loan is against setting up the new engineering division and Factory Building at base rate+3.30% interest rate for 5 years. Car Loan is for purchase of car on 36 installments				
	IREDA Loan-Shruti Power Projects	378,432,000		364,200,000	
	Veer GmbH Loan	2,299,124		1,730,449	
	<b>Unsecured</b>				
	404,141,551		422,697,042		
7	<b>Deferred tax liabilities</b>				
	Deferred Tax Liabilities	31,878,376		32,478,656	
	Deferred Tax Assets	712,893		479,401	
	Deferred Tax Liabilities (Net)	31,165,483		31,999,249	
8	<b>Other Long term liabilities</b>				
	Factory Deposits	30,000,000		20,000,000	
		30,000,000		20,000,000	
9	<b>Long term provisions</b>				
	Provision for Gratuity	2,097,362		1,410,417	
		2,097,362		1,410,417	
10	<b>Short term borrowings</b>				
	<b>Secured</b>				
	HDFC Bank CC	29,108,952		28,163,105	
	HDFC Bank OD A/c				
	CC Limit and OD against stock and debtors @ base rate plus 3% interest rate				
	<b>Unsecured</b>				
	From Directors	12,900,000			
	Inter-corporate Deposits	19,066,134			
	Other Deposits/Advances				
		61,075,086		28,163,105	
11	<b>Trade payables</b>				
	Trade payables due to Micro, Small and Medium Ent	167,730,241		270,454,300	
	Trade Payable Others (net of Advances)	2,599,500		43,880,000	
	Due from Related parties				
	Others	170,329,841		314,334,300	

V.S. P. Chitambar



M. N.

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
12	<b>Other current liabilities</b>	15,768,000	-
	Current maturities of long term debts	-	-
	Other payables-employees	-	-
	Trade deposits and Advances	1,806,525	5,814,805
	VAT, TDS, Service tax and Withholding tax payable	-	-
	Interest accrued and due	-	-
	Interest accrued but not due	-	35,000
	Unpaid matured deposits and interest accrued thereon	40,990,305	5,849,805
	Other payables	58,564,830	-
13	<b>Short-term provisions</b>	5,136,820	5,121,431
	Dividends on Equity shares (Including Dividend Dist Tax)	3,553,739	13,291,361
	Income Tax and Wealth Tax	-	33,366
	Employees benefits	-	-
	Others (Including provision for MTM on forward contracts)	8,690,559	18,446,158
14	<b>Fixed Assets</b>	789,885,127	194,202,105
	Gross Amount	59,394,512	38,629,555
	Less: Depreciation & Amortisation of Expenses	730,490,615	155,572,550
15	<b>Non-current investments</b>		
	(All unquoted unless otherwise specified)		
	Veer Enterprise GmbH-100% subsidiaries in Germany Euro 25000 as Capital and Euro 73500 as loan	6,684,527	6,684,527
	Less: Intercompany	6,684,527	6,684,527
		286,500,000	220,400,000
	Shruti Power Projects Pvt. Ltd. 100% Subsidiary Capital Rs 190000000/- and Loan Rs 96500000/-	286,500,000	220,400,000
	Less: Intercompany	-	-
		30,000	30,000
	Trade investments - NSC-VIII issue	30,000	30,000
16	<b>Deferred tax assets (Net)</b>		
17	<b>Long term loans and advances</b>		
	Business advances-Considered good	44,849	44,849
	Uttar Gujarat Vj Co. Ltd.	15,000,000	15,000,000
	Office/Residence Deposits	15,044,849	15,044,849
18	<b>Other non-current assets</b>	20,000	3,005,945
	Share issue expenses c/d	20,000	3,005,945
19	<b>Current investments</b>		
	Trade investments	320,056	2,485,924
	HDFC Bank FD-For Bank guarantee facility	320,056	2,485,924
20	<b>Inventories</b>		
	Raw Material	560,022	560,022
	Solar Panel	-	-
	Work in Progress	75,366,292	81,216,292
	Land for Wind farm	-	-
	Erection and commissioning product	-	-
	Foundation material	96,171,047	96,171,047
	Power Evacuation Facilities	3,052,653	59,894
	Engineering Division	168,524	84,179
	Op & Maint. Products	-	-
	Electrical Material	-	-
	WTG	-	763,296,077
	Shruti - WIP	175,318,538	941,387,510
21	<b>Trade receivables</b>		
	<b>Secured</b>		
	<b>Unsecured</b>	12,022,887	28,516,465
	More than 6 months considered good	39,064,266	44,982,348
	Other receivables considered good	51,077,153	73,498,813
	Less: Provision for doubtful debts	51,077,153	73,498,813

RS.

P. Shah

M. Y











DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1.04.2015	ADDITION DURING THE YR.	DEDUC. DURING THE YR.	As at 31.03.2016	Up To 1.04.2015	On Op.Bal	On Add. Depreciation	For the Year 2015-16	Up To 31.03.2016	As at 31.03.2016	As at 31.3.2015
Factory Land at Changanassari	12,786,400	-	-	12,786,400	-	-	-	-	-	12,786,400	12,786,400
Factory Building at Changanassari	30,666,004	-	-	30,666,004	1,088,866	635,151	-	635,151	1,723,665	18,901,119	16,855,544
Factory Shed at Changanassari	5,534,236	-	-	5,534,236	175,772	175,772	-	175,772	326,703	5,017,533	5,017,533
Air Conditioner - Mumbai	394,400	-	-	394,400	138,560	255,840	-	255,840	163,326	230,674	169,897
Air Conditioner - Alameda/Al	201,387	-	-	201,387	49,978	151,409	-	151,409	39,480	161,907	10,500
Whip Equipments	189,715	14,360	-	204,075	14,607	4,788	294	17,690	179,331	12,884	35,334
Alarm Clock	3,400	-	-	3,400	311	1,090	-	1,090	627	2,353	2,679
Internal/Office Machine	1,187,722	-	-	1,187,722	973	1,802	-	1,802	25,382	1,685,581	1,146,726
Lift	562,040	-	-	562,040	36,939	75,182	-	75,182	17,314	562,040	31,544
Computer - Alameda/Al	188,423	49,800	-	238,223	177,151	11,309	5,886	17,675	194,228	34,994	11,260
Surveillance & Fire Alarm - Mumbai	2,336,837	-	-	2,336,837	901,316	241,002	832	341,000	1,332,518	1,094,321	1,635,321
Surveillance & Fire Alarm - Alameda/Al	409,871	14,100	-	423,971	103,218	38,938	832	391,766	141,628	280,953	196,531
CCTV Camera - Factory	95,300	-	-	95,300	6,842	9,072	-	9,072	15,714	79,776	88,858
Phone Box/Mumbai	88,625	-	-	88,625	54,099	6,519	-	6,519	80,618	9,007	34,326
Phone Box/Alameda/Al	302,819	-	-	302,819	176,821	34,496	-	34,496	201,550	102,269	217,198
Transformer/Transformer	217,318	-	-	217,318	94,973	15,035	-	15,035	110,688	127,510	424,545
Cell/Wireless Machine	1,060,875	-	-	1,060,875	376,592	67,213	-	67,213	443,715	617,160	107,442
CT Testing Stand	172,958	-	-	172,958	65,268	10,485	-	10,485	76,636	185,002	199,256
Vacuum Pump	236,580	-	-	236,580	31,344	14,356	-	14,356	45,000	181,580	210,014
Air Compressor	243,600	-	-	243,600	33,586	15,420	-	15,420	49,000	194,594	193,315
Automatics Voltage Regulator	449,501	-	-	449,501	535,686	28,633	-	28,633	84,439	365,062	344,063
CNC Tool/Shop	3,128,699	-	-	3,128,699	1,179,699	201,275	-	201,275	1,646,111	1,483,588	2,341,063
CNC Turning Center - Haas - FTC 201	3,356,218	-	-	3,356,218	459,833	213,249	9,942	9,942	312,449	2,683,948	2,396,397
CNC VMC - 1000 A V 3 - Haas	14,972,384	8,102,040	-	23,074,424	8,194,203	948,861	-	948,861	168,084	12,011,002	13,959,056
CNC VMC - 1000 A V 3 - Haas	3,902,000	-	-	3,902,000	308,929	183,570	-	183,570	2,966,261	2,317,501	331,883
CNC VMC - 1000 A V 3 - Haas	2,902,000	-	-	2,902,000	446,171	33,358	-	33,358	3,480,000	615,565	416,444
Crane 40 Tons	490,000	270,000	-	760,000	53,336	31,017	9,882	40,899	94,435	7,572,642	8,178,072
Boiler 2000 Kw	12,000,000	-	-	12,000,000	1,892,338	370,203	-	370,203	4,462,138	17,462,138	17,462,138
Water Tank	12,000,000	-	-	12,000,000	1,892,338	370,203	-	370,203	4,462,138	17,462,138	17,462,138
WTG-25kw Gp1	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp2	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp3	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp4	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp5	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp6	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp7	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp8	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp9	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp10	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp11	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp12	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp13	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp14	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp15	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp16	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp17	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp18	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp19	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp20	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp21	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp22	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp23	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp24	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp25	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp26	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp27	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp28	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp29	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp30	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp31	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp32	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp33	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp34	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp35	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp36	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp37	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp38	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp39	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp40	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp41	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp42	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp43	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp44	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp45	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp46	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp47	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp48	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,063	7,892,063
WTG-25kw Gp49	10,800,000	-	-	10,800,000	1,482,937	513,000	-	513,000	3,120,937	7,679,06	

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
22	<b>Cash and cash equivalents</b>	470,534	87,371
	Cash in hand and as imprest	-	-
	Cheques/ Drafts in hand	23,283,564	275,108
	On Current Account	-	-
	On Dividend Account	-	-
	On Deposit Account	-	-
	As Margin money	-	-
		<b>23,754,098</b>	<b>342,479</b>
23	<b>Short-term loans and advances</b>	-	-
	Loans and Advances to Related Parties	15,162,078	48,564,724
	Loans and Advances to Others	-	-
	Unsecured, considered good	200,000	7,181,379
	Deposits-Intercompany	-	17,218,007
	Deposits/Balances with Excise/VAT authorities	9,871,085	14,524,034
	Advance payment of Income Tax/Wealth Tax/TDS	7,229,529	-
	Advance payment of VAT/Service tax	-	-
		<b>32,462,692</b>	<b>87,488,144</b>
24	<b>Other current assets</b>	178,845,719	-
26	<b>Revenue from operations</b>	274,921,134	351,105,571
	Sales of Infrastructure Products	22,356,767	16,496,647
	Sales of Services	22,826,911	16,448,070
	Sales-Engineering Division	159,895,381	84,109,467
	Sales-Trading	34,164,111	-
	Sales of Power	4,116,162	9,153,602
	Generation Based Income	10,218,110	477,313,357
	Other Operating Income	528,499,576	-
	Loss-Excise Duty	-	-
	Net Sales	<b>528,499,576</b>	<b>477,313,357</b>
	<b>Particulars of Sale of Products &amp; Services</b>		
	Sale of Infrastructure under works contract	274,921,134	351,105,571
	Sale of Services O & M of WTG Infrastructure	22,356,767	16,496,647
	Sale of Engineering Division	22,826,911	16,448,070
	Trading in Copor Tube and MS Items	159,895,381	84,109,467
	Shruti-Power Generation	34,164,111	-
	Shruti-Generation Based Income	4,116,162	9,153,602
	Other operative income - power generation	10,218,110	-
26	<b>Other Income</b>	15,668	546,215
	Interest from Others	-	-
	Dividend	-	964,086
	Net Gain/Loss on sale of current investments	804,666	350,000
	Other Non operating Income	<b>820,332</b>	<b>1,860,301</b>
27	<b>Cost of materials consumed</b>	-	-
28	<b>Purchase of Stock-in-Trade</b>	243,620,740	225,591,236
	Purchase of Infrastructure under W/C	14,040,663	13,569,317
	Purchase of Services-O & M Charges	12,400,250	7,848,438
	Purchase of Engineering Division	159,066,647	82,245,662
	Purchase-Trading	-	763,296,077
	Purchase Shruti Power Projects	<b>429,128,300</b>	<b>1,092,354,930</b>
29	<b>Change in inventories of finished goods, WIP and Stock in Trade</b>	-	-
	<b>Stock at close</b>	75,366,292	61,216,292
	Lands for windfarm	-	-
	Erection and commissioning products	-	-
	Foundation materials	96,171,047	96,171,047
	Power evacuation facilities	3,052,553	59,894
	Engineering Division	168,524	84,179
	Op & Maint Products	-	763,296,077
	WIP Shruti Power	-	-
	WTG	560,022	560,022
	Solar Panel	178,091,434	941,387,516
	<b>Stock at commencement</b>	81,216,292	37,505,500
	Lands for windfarm	-	-
	Erection and commissioning products	-	-
	Foundation materials	96,171,047	201,569,229
	Power evacuation facilities	-	963,365
	Sub station at Bhavnagar	-	1,138,678
	Job Work	59,894	-
	Engineering Division	84,179	-
	O & M products	763,296,077	7,450,000
	WTG Machine	(763,296,077)	560,022
	Trfd to fixed assets	560,022	-
	Solar Panel	178,091,434	249,187,794
		<b>2,772,896</b>	<b>(692,199,716)</b>



*Handwritten signatures and initials: B.S., P. V. S., M., Y.*



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2015
30	<b>Employee benefit expense</b>		
	Salaries, Wages, Bonus, Gratuities & Allowances	10,448,799	7,814,116
	Veer Enterprises-GMBH	212,657	1,105,000
	Staff Welfare Expenses	-	382,262
		<u>10,661,456</u>	<u>9,301,378</u>
31	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	30,246,932	5,664,988
	Bank Charges	734,039	639,386
		<u>30,980,971</u>	<u>6,304,374</u>
32	<b>Other expenses</b>		
	<b>Direct Expenses - A</b>		
	Consumables	-	555,310
	Freight	6,294,564	12,950,161
	Getco/GEDA/MEDA Liasoning Fees	-	-
	Gujarat Energy Development Agency Fees	870,456	153,821
	Rent	330,201	1,412,146
	VAT/CST/Ser Tax paid	60,765	2,103,465
	Land Survey / Lease Rent	173,348	198,797
	Petroleum, Power & Fuel	2,106,136	2,133,098
	Security Charges	-	25,350
	Wind Research expenses	-	-
	Other Direct Expenses	-	-
		<u>9,844,468</u>	<u>19,532,158</u>
	<b>Administration &amp; Establishment Expenses - B</b>		
	Rent, Rates & taxes	978,312	757,282
	Insurance	461,132	1,310,097
	Advertisement publicity & sales promotion	504,540	800,620
	Travelling & other incidental expenses	243,925	377,145
	Office maintenance	61,005	190,719
	Vehicle running & maintenance	77,780	362,343
	Printing & stationery	263,620	317,963
	Communication expenses	-	-
	Staff recruitment & training	-	-
	Donation	315,000	275,000
	Auditors remuneration	35,000	25,000
	As auditors for tax audit	50,000	50,000
	for certification/limited review	-	-
	out of pocket expenses	-	-
	Repairs	184,298	438,866
	Others	-	-
	Machineries	-	-
	Office building	-	-
	Legal, professional & consultancy charges	2,089,024	1,834,696
	Engineering Division Expenses	2,978,843	2,945,902
	Director's sitting fees	-	-
	Director's commission	-	43,387
	Discount	372,520	341,902
	Listing/custodian Exp. Fees	72,772	355,717
	Miscellaneous expenses	3,005,945	629,810
	Share issue expenses w/off	187,040	-
	Loss on Sale of Car	200,176	219,336
	Other Expenses Veer Enterprises-GMBH *	-	1,533,990
	Bad debts/irrecoverable advances written off	-	-
		<u>12,201,132</u>	<u>12,809,776</u>
		<u>22,046,600</u>	<u>32,341,935</u>
	<b>Total A + B</b>		
33	<b>Exceptional Items</b>		
34	<b>Extraordinary Items</b>		
35	<b>Profit/(Loss) from discontinuing operations</b>		

*MS.*

*P. G. G. G.*

*M. M.*



VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016					
Note No.	Particulars	As at 31/03/2016		As at 31/03/2015	
		2015-16		2014-15	
36	<b>Value of Imports on CIF basis in respect of:</b>				
	Raw Material	Nil		Nil	
	Components and Spare Parts	Nil		Nil	
	Capital Goods	Nil		Nil	
37	<b>Expenditure in Foreign Currency on account of:</b>				
	a) Royalty know how professional consultation fees, interest and other matters	Nil		Nil	
	b) Travelling	Nil		Nil	
38	<b>Dividend remitted in foreign currency</b>	Nil		Nil	
39	<b>Value of Imported and Indigenous material consumed &amp; percentage there of</b>				
	Value of Imported material consumed	417,860,533	100	386,585,897	100
	Value of Indigenous material consumed	-	-	-	-
	<b>Total</b>	<b>417,860,533</b>	<b>100</b>	<b>386,585,897</b>	<b>100</b>
40	<b>Earning in foreign exchange</b>				
	FOB value of exports	-	-	-	-
	Royalty know how Professional and consultancy fees	-	-	-	-
	Interest and dividends	-	-	-	-
	Other Income	-	-	-	-
41	<b>Earning per share (EPS)</b>				
	i) Net Profit after tax as per statement of Profit and Loss	9,088,125		16,875,839	
	ii) Weighted average number of equity shares used as denomination for calculating EPS	7,113,250		71,132,500	
	iii) Basic Earning per share	1.40		0.26	
	iv) Diluted Earning per share	1.40		0.26	
	v) Face Value per equity share	10.00		1.00	
42	<b>Payment to Auditors</b>	275,000		275,000	
	a) As Auditor	-		-	
	b) As Advisor or in any other capacity	275,000		275,000	
	i) Taxation matters (Tax Audit)	-		-	
	ii) Company Law matters	-		-	
	iii) Management services	50,000		50,000	
	c) In any other manner- Limited Review Report	-		-	
43	<b>Employees Retirement Benefits</b>				
	As required under the accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer". Actuarial Valuation Report has been obtained for the liabilities for gratuity and leave encashment benefits. The amount as per report is Rs 685945/- for the year which has been provided in the accounts but investments of the total amount till date Rs. 2097362/- has not been made so far.				
44	<b>Segment Reporting as required under Accounting Standard 17</b>				
	Primary Segment Energy & Infrastructure	58.18		78.93	
	Engineering Division	4.32		3.45	
	Secondary Segment Trading	30.75		17.62	
	Geographical Segment 100% Revenue from India only				
45	<b>Related parties disclosure in accordance with the Accounting Standard 18</b>				
	List of Related Parties: Enterprises owned or significantly controlled by the Directors of the Company				
	The name of the Company/Firm	Director	Capacity		
		Interested			
	1 M/s. Veerhealth Care Limited	Yogesh M. Shah	Director		
	2 M/s. Shruti Power Projects Pvt. Ltd.	Yogesh M. Shah	Director		
	3 M/s. Krupa Wind tech Pvt. Ltd.	Yogesh M. Shah	Director		
	4 M/s. Ruchi Windfarm Pvt. Ltd.	Yogesh M. Shah	Proprietor		
	5 M/s. Arpan Housing Company	Yogesh M. Shah	Proprietor		
	6 M/s. Daansh Engineering	Prakash C. Shah	Proprietor		
	7 M/s. Kunal Traders	Prakash C. Shah	Daughter		
	8 M/s. Shruti Y. Shah	Yogesh M. Shah	Director		
	9 M/s. Veerhealth Care Limited	Mitosh Kuvadia	Director		
	10 M/s. Ratnakar Fasteners Private Limited	Mitosh Kuvadia	Proprietor		
	11 Mohita Chohan & Associates	Chohan Mohita	Daughter		
	12 M/s. Krupa Y. Shah	Yogesh M. Shah	Director		
	<b>Key Managerial Person</b>				
	Mr. Yogesh M. Shah	Managing Director			
	Mr. Prakash C. Shah	Executive Director			
	Mr. Nilay P. Shah	Executive Director			
	Mr. Kunal P. Shah	Chief Financial Officer			
	Ms. Nipa Shah	Company Secretary			
	<b>Transaction with related party</b>				
	M/s Veerhealth Care Ltd	Sale of Machinery	7,512,755		
	M/s Daansh Engineering	Sale of Goods	148,155		
	M/s Daansh Engineering	Purchase of Mischineries	2,699,500		
	M/s. Shruti Power Projects Pvt. Ltd.	Loan Given	98,500,000		
	Mr. Yogesh M. Shah	Remuneration Paid	1,950,000		
	Mr. Prakash Shah	Remuneration Paid	975,000		
	Mr. Nilay Shah	Remuneration Paid	910,000		
	Ms. Nipa Shah	Salaries Paid	208,000		
	Ms. Shruti Y. Shah	Salaries Paid	-		
	Ms. Krupa Y. Shah	Salaries Paid	260,000		
	<b>Details of outstanding with Related Party at the end of the year</b>		31/03/2016		31/03/2015
	Veerhealth Care Limited		2,406,495 Dr		195,479 Dr
	Daansh Engineering		98,500,000 Dr		30,400,000 Dr
	M/s. Shruti Power Projects Pvt. Ltd.		-		-



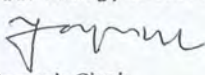
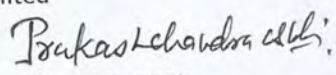
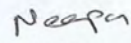
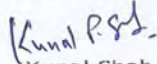
P. G. G. P. G. G.

M. Y.

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Consolidated Financial Statements for the year ended 31st March, 2016			
Note No.	Particulars	As at 31/03/2016	As at 31/03/2016
46	There are no pending capital commitments.		
47	<p><b>Contingent Liabilities</b></p> <p>The Company has a 100% subsidiary in Germany named "Veer Enterprise - GmbH". Subsidiary has incurred a loss of INR 347,317/- equivalent to Euro 4675/- during the year 2015-16. The accumulated loss is INR 9529619/- equivalent to Euro 126900/- . The investment of the Company so far is Euro 25000/- in equity and Euro 73500/- as loan totalling to Euro 98500/- . Hence there is a contingent liability to the tune of Euro 20,616/- equivalent to INR 2,299,124/- as on 31st March, 2016 considering the exchange rate of 1 Euro = INR 75.0555 as per RBI reference rate. The management is hopeful to recover the losses of subsidiary in future.</p>		
48	<p>The Company has no liability under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure regarding the following has not been provided:</p> <p>(a) Amount due and outstanding to suppliers as the end of accounting year;</p> <p>(b) interest paid during the year;</p> <p>(c) interest payable at the end of the accounting year; and</p> <p>(d) interest accrued and unpaid at the end of the accounting year.</p>		
49	<p>The Company has floated a 100% subsidiary "Veer Enterprise-GmbH" in Germany to explore the possibility of expansion in the field of non conventional energy with the help of collaboration with any company in this field with a wide experience and capital resources. The main idea is to make development in India only at a later stage. The subsidiary is incurring losses, but the management is hopeful to recover the same in future. The management has taken care to minimise the expenses.</p>		
50	<p>The Company has also 100% subsidiary in India "Sivus Power Projects Pvt Ltd". The subsidiary is engaged in the same business of non conventional energy.</p>		
51	<p>Previous year figures have been regrouped &amp; rearranged wherever necessary.</p>		
<p>As per our report of even date attached                      For JAYESH R SHAH &amp; CO.                      Chartered Accountants                      Firm Regn. No. 104182W</p>			
<p>Jayesh Shah                      Proprietor                      Membership No. 033864</p>			
<p>Place: Mumbai                      Date: 27th May, 2016</p>			
<p>For and on Behalf of the Board</p> <p><i>Jayesh Shah</i>                      Jayesh Shah                      Managing Director                      DIN: 00169185</p> <p><i>Prakash Shah</i>                      Prakash Shah                      Executive Director                      DIN: 01660194</p> <p><i>Nirpa Shah</i>                      Nirpa Shah                      Company Secretary</p> <p><i>Kunal P. Shah</i>                      Kunal Shah                      CFO</p>			





VEER Enterprise GmbH Balance Sheet as at 31st March, 2016					
Particulars	Note No	Figures as at 31st March, 2016 in INR	Figures as at 31st March, 2016 in EURO	Figures as at 31st March, 2015 in INR	Figures as at 31st March, 2015 in EURO
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital		1877388	25000	1687760	25000
(b) Reserves and Surplus		-9529619	-126900	-8254839	-122275
<b>(2) Non-Current Liabilities</b>					
(a) Long-term borrowings		0	0	0	0
From Holding Company		5519519	73500	4962014	73500
From Others		2299124	30616	1730449	25632
<b>(3) Current Liabilities</b>					
(a) Other current liabilities		0	0	0	0
<b>Total</b>		<b>166412</b>	<b>2216</b>	<b>125384</b>	<b>1857</b>
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
<b>(a) Fixed assets</b>					
(i) Tangible assets		0	0	0	0
<b>(2) Current assets</b>					
(a) Cash and cash equivalents		166412	2216	125384	1857
<b>Total</b>		<b>166412</b>	<b>2216</b>	<b>125384</b>	<b>1857</b>
VEER Enterprises GmbH Statement of Profit & Loss for the period ended 31st March, 2016					
Particulars	Note No	2015-2016 in INR	2015-2016 in EURO	2014-2015 in INR	2014-2015 in EURO
I. Revenue from operations		0	0	0	0
II. Other Income		0	0	0	0
<b>III. Expenses:</b>					
Employee benefit expense		202082	2691	265565	3934
Depreciation and amortization expense		0	0	0	0
Other expenses		145235	1934	132704	1966
		347317	4625	398269	5899
<b>Loss to be c/fd.</b>		<b>347317</b>	<b>4625</b>	<b>398269</b>	<b>5899</b>
<p>1. The subsidiary follows calander year as accounting year</p> <p>2. The above unaudited accounts of 100% subsidiary are considered in the meeting of the Board of Directors of Veer Energy &amp; Infrastructure Ltd. and certified for consolidation.</p> <p>3. Exchange rate as on 31st March, 2016 is 1 Euro= INR 75.0955 as per RBI reference rate</p> <p>4. Exchange rate as on 31st March, 2015 is 1 Euro= INR 67.5104 as per RBI reference rate</p>					
<p>For and on behalf of the Board Veer Energy &amp; Infrastructure Limited</p>					
 Yogesh Shah Managing Director DIN: 00169189		 Prakash Shah Executive Director DIN: 01660194			
 Nipa Shah Company Secretary		 Kunal Shah C.F.O.			
Place: Mumbai - Date: 27th May, 2016					

## **INDEPENDENT AUDITORS REPORT**

**To,  
The Members of  
VEER ENERGY & INFRASTRUCTURE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Veer Energy & Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors' is responsible for the matters in Section 134(5) of the Companies Act, 2013("the act") with respect to the preparation 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 Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken in to 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 audit opinion on the financial statement



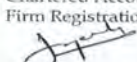
### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as 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. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act;
  - f. with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditors) Rules, 2014 in our opinion and to best of our information and according to the explanation given to us:
    - i. The company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amount which required to be transferred to the Investor Education and Protector Fund by the Company.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

  
Jayesh Shah  
Proprietor  
Membership No. 033864

Place: Mumbai  
Date: 28<sup>th</sup> May, 2015



**Annexure referred to in paragraph (1) under “Report on Other Legal and Regulatory Requirements” of Independent Auditors Report of even date.**

- 1) (i) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.  
(ii) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.
- 2) (i) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable.  
  
(ii) In our opinion and according to the information and explanation given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;  
  
(iii) The Company has maintained proper records of inventories. As explain to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- 3) As per the information furnished, the Company has granted unsecured interest free loans to its subsidiary covered in the Register, maintained under Section 189 of the Companies Act, 2013;  
(i) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;  
(ii) In respect of such loans given by the Company, there are no overdue amounts more than Rs. 1,00,000/-.
- 4) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories, fixed assets and for sale of goods & services.

Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

- 5) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.

- 6) As per the information provided, the Company is not covered under Section 148 of the Companies Act, 2013, hence not required to maintain cost records.
- 7) (i) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.
- (ii) According to the records of the Company and information and explanation given to us and record verified by us the outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax,






service tax, cess which have not been deposited, with the appropriate authorities on account of disputes are as under:

Sr. No	Name of the Statute	Nature of Dues	Amt Due	Period to which the amt. relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	496471/-	A.Y.2010-11	Commissioners of IT(Appeals)
2	Income Tax Act, 1961	Income tax	447270/-	A.Y.2010-11	Commissioners of IT(Appeals)

(iii) According to the information and verification of the records, we are of the opinion that the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under is nil as on the date of the financial year end.

- 8) The Company does not have any accumulated business loss as at the end of the financial year and has not incurred Cash losses in the financial year and in the immediately preceding financial year.
- 9) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
- 10) According to the information and explanation given to us, the Company has given guarantee for loans taken by its 100% subsidiary company from the financial institutions. We are of the opinion that the terms and conditions of the loans are not prejudicial to the interest of the company.
- 11) According to the records verified by us, we are of the opinion that the term loan obtained in the last years for setting up the Engineering unit and new Factory Building, have been utilized for the same purpose.
- 12) On the basis of our examination and according to the information and explanations given to us, no material fraud, on or by the Company, has been noticed or reported during the year under audit.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

  
Jayesh Shah  
Proprietor  
Membership No. 033864  
Place: Mumbai  
Date: 28<sup>th</sup> May, 2015



**VEER ENERGY AND INFRASTRUCTURE LIMITED**  
**Balance Sheet as at 31st March, 2015**

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	71132500	71132500
(b) Reserves and Surplus	3	374649342	361299870
(c) Money Received against share warrants	4	0	0
<b>(2) Share application money pending allotment</b>	5	0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	26766593	36289342
(b) Deferred tax liabilities (Net)	7	31999249	33663054
(c) Other Long term liabilities	8	0	0
(d) Long term provisions	9	1410417	1222305
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	48163105	66630751
(b) Trade payables	11	146971978	232645040
(c) Other current liabilities	12	5557968	5378207
(d) Short-term provisions	13	18446158	12765633
<b>Total</b>		<b>725097310</b>	<b>821026702</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) <i>Fixed assets</i>	14		
(i) Tangible assets		155572550	166030147
(ii) Intangible assets			
(iii) Capital work-in-progress		0	0
(iv) Intangible assets under development			
(b) Non-current investments	15	227114527	6714527
(c) Deferred tax assets (net)	16	0	0
(d) Long term loans and advances	17	15044849	18535949
(e) Other non-current assets	18	0	629810
<b>(2) Current assets</b>			
(a) Current investments	19	2485924	7813877
(b) Inventories	20	178091433	249187794
(c) Trade receivables	21	73498813	298100180
(d) Cash and cash equivalents	22	345104	499341
(e) Short-term loans and advances	23	72944110	73515077
(f) Other current assets	24	0	0
<b>Total</b>		<b>725097310</b>	<b>821026702</b>

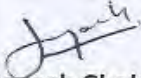
**Notes Financial Statements and Significant Accounting Policies**

**The note No. 1 to 51 forms an integral part of these Financial Statements**

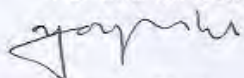
As per our Report of Even date Attached

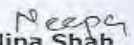
For and on behalf of the Board

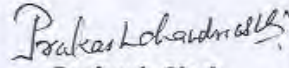
**For Jayesh R. Shah & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 104182W**

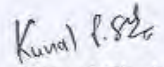
  
**Jayesh Shah**  
**Proprietor**  
**M.No. 033864**  
**Place: Mumbai**  
**Date: 28th May, 2015**



  
**Yogesh Shah**  
**Managing Director**  
**DIN: 00169189**

  
**Nipa Shah**  
**Company Secretary**

  
**Prakash Shah**  
**Executive Director**  
**DIN: 01660194**

  
**Kunal Shah**  
**C.F.O.**



**VEER ENERGY AND INFRASTRUCTURE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2015**

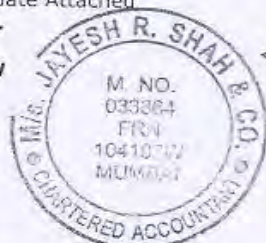
Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	25	477313357	659498854
II. Other Income	26	1860301	563820
<b>III. Total Revenue (I + II)</b>		<b>479173658</b>	<b>660062674</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	27	0	0
Purchase of Stock-in-Trade	28	329058853	767059989
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	71096361	-176864959
Employee benefit expense	30	8188988	7892716
Financial costs	31	6183212	3873557
Depreciation and amortization expense	14	10313519	8195820
Other expenses	32	31980423	19753246
<b>Total Expenses</b>		<b>456821356</b>	<b>629910369</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	22352302	30152305
VI. Exceptional Items	33	0	0
VII. Profit before extraordinary items and tax (V - VI)		22352302	30152305
VIII. Extraordinary Items	34	0	0
IX. Profit before tax (VII - VIII)		22352302	30152305
X. Tax expense:			
(1) Current tax		5545204	7746157
(2) Deferred tax		-1663805	-1289579
		3881399	6456578
XI. Profit(Loss) from the period from continuing operations	(IX-X)	18470903	23695727
XII. Profit/(Loss) from discontinuing operations	35	0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
XV. Profit/(Loss) for the period (XI + XIV)		18470903	23695727
XVI. Earning per equity share of Rs.1/- face value:			
(1) Basic		0.26	0.33
(2) Diluted		0.26	0.33

**Notes Financial Statements and Significant Accounting Policies**  
**The note No. 1 to 51 forms an integral part of these Financial Statements**

As per our Report of Even date Attached

**For Jayesh R. Shah & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 104182W**

**Jayesh Shah**  
**Proprietor**  
**M.No. 033864**  
**Place: Mumbai**  
**Date: 28th May, 2015**



**For and on behalf of the Board**

*Yogesh Shah*  
**Yogesh Shah**  
**Managing Director**  
**DIN: 00169189**

*Nepa*  
**Nipa Shah**  
**Company Secretary**

*Prakash Shah*

**Prakash Shah**  
**Executive Director**  
**DIN: 01660194**

*Kunal P. Shah*  
**Kunal Shah**  
**C.F.O.**

**VEER ENERGY AND INFRASTRUCTURE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

	Rupees For the year ended March 31, 2015	Rupees For the year ended March 31, 2014
<b>A</b> <u>Cash Flow from Operating Activities</u>		
Net Profit before tax	22352302	30152299
<u>Adjustments for :</u>		
Depreciation/Amortisation	10313519	8195826
Share Issue Expenses written off	629811	629811
Right Issue Expenses written off		
Prior year adjustment	0	-529176
Other Income	-1860301	-563820
Operating Profit before Working Capital Changes	31435331	37884940
<u>Adjustments for :</u>		
(Increase ) / Decrease in Long term loans and advances	3491100	-3445829
(Increase ) / Decrease in Other non current assets	-629810	0
(Increase ) / Decrease in Inventories	71096361	-176864959
(Increase) / Decrease in Trade Receivable	224601367	258088413
(Increase ) / Decrease in short term loans and Advances	570967	-35515122
(Increase ) / Decrease in Other Current Assets	0	0
(Increase ) / Decrease in Current Investments	5327953	33882724
Increase /(Decrease) in other long term liabilities	0	0
Increase /(Decrease) in Long term provisions	188112	261919
Increase /(Decrease) in Short Term Borrowings	-18467646	-6945426
Increase /(Decrease) in Trade Payables	-85673062	-82247258
Increase /(Decrease) in Other Current Liabilities	179761	1267998
Increase /(Decrease) in Short Term Provisions	5680525	-7418698
Cash generated from Operations	206365628	-18936238
Current and Deferred Tax Adjustment	3881399	7746157
Net Cash (used) / from Operating Activities	<b>233919560</b>	<b>11202545</b>
<b>B</b> <u>Cash flow from Investing Activities</u>		
Sale/(Purchase) of Fixed Assets	-889918	-16942348
Sale/(Purchase) of Non Current Investments	-220400000	-292030
Increase/(Decrease) in Share Capital		
Increase/(Decrease) in Reserves	0	0
Increase/(Decrease) of Long Term Borrowings	-9522749	10181442
Loss on Sale of Leased Assets		
Interest & Other Income	1860301	563820
Net Cash (used in) / from Investing Activities	<b>-228952366</b>	<b>-6489116</b>
<b>C</b> <u>Cash flow from Financial Activities</u>		
Dividend Paid	5121431	4993288
Interest Paid	0	0
Net Cash ( used in )/ from Financing Activities	5121431	4993288
Net changes in cash & cash equivalents ( A + B + C )	-154238	-279859
Cash & cash equivalents - Opening Balance	499341	779199
Cash & cash equivalents - Closing Balance	<b>345103</b>	<b>499340</b>

**For Jayesh R. Shah & Co.**  
**Chartered Accountants**  
**Firm Regn.No. 104182W**

*Jayesh*  
**Jayesh Shah**  
**Proprietor**  
**M. No. 033864**  
**Place : Mumbai**  
**Date:28th May, 2015**



**For and on behalf of the Board**

*Yogesh*  
**Yogesh Shah**  
**Managing Director**  
**DIN: 00169189**

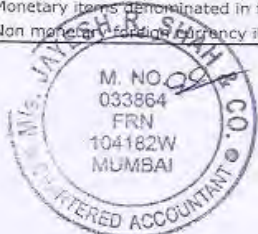
*Prakash*  
**Prakash Shah**  
**Executive Director**  
**DIN: 01660194**

*Nipa*  
**Nipa Shah**  
**Company Secretary C.F.O.**

*Kunal P. S.*  
**Kunal Shah**



<b>VEER ENERGY &amp; INFRASTRUCTURE LIMITED</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2015</b>			
Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>1</b>	<b>Significant Accounting Policies</b>		
(a)	<b>Basis of Accounting:</b> The financial statement are Prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accruals basis. Except in respect of assets classified as Non Performing Assets (NP)		
(b)	<b>Use of Estimates</b> The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those of estimated.		
(c)	<b>Revenue Recognition:</b> (i) Sale of goods: Revenue from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order. (ii) Interest Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable (iii) Dividend Dividend Income from investments are recognized when the right to receive payment established.		
(d)	<b>Fixed Assets</b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.		
(e)	<b>Depreciation and Amortisation</b> Depreciation is provided on the straight line method based as per the rate specified in Schedules II of the Companies Act, 2013.		
(f)	<b>Investments</b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments. Current Investments are carried at lower of cost and fair values, determined on individual basis.		
(g)	<b>Inventories</b> Inventories are at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis, net realizable value is determined by management using technical estimates.		
(h)	<b>Borrowing Costs</b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A quality asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.		
(i)	<b>Retirement and other employee benefits</b> The Company has adopted the policy to provide for the Liability for gratuity and leave encashment benefits on actuarial valuation. Actuarial Valuation report has been obtained for the liabilities for gratuity and leave encashment benefits and provision has been made accordingly.		
(j)	<b>Provisions, Contingent liabilities and contingent Assets.</b> A Provision is recognized when the Company has a Present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.		
(k)	<b>Provision for current and deferred tax</b> Provision for current income tax is made in accordance with the Income Tax Act,1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that original in one period arecapable of reversal in one or more subsequently period.		
(l)	<b>Foreign Currency Transaction</b> a) Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. b) Monetary items denominated in foreign currency at the year end are restated at year end rates. c) Non monetary foreign currency items are carried at cost.		





**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2015**

Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
(m)	<b>Impairments</b> Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(n)	<b>Earning Per Share</b> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of share outstanding during the period adjusted for the effects of all dilative potential equity shares. The number of equity shares and potential dilative equity shares are adjusted for bonus as appropriate.		
(o)	<b>Share Issue Expenses</b> Share issue expenses are redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years		
<b>2</b>	<b>Share Capital</b>		
	Authorised		
	15,00,00,000 Equity shares of Rs. 1/- each	150000000	150000000
	(Previous year 15,00,00,000 Equity shares of Rs.1/- each		
	Issued, Subscribed and Paid up		
	71132500 Equity shares of Rs. 1/- each fully paid up	71132500	71132500
	(Previous year 71132500 Equity shares of Rs.1/- each		
		71132500	71132500
	Of the above 45400000 equity shares of Rs. 1 each were allotted as fully paid bonus shares by capitalisation of reserve in last five years.		
	<b>Details of shares held by each share holders holding more than 5% shares</b>		
	Name	Number of Shares	%
	Yogesh M. Shah	20649311	29.03
	Cresta Fund Ltd.	0	0.00
	Sparrow Asia Diversified Opportunity	0	0.00
	Shriram Credit Company Limited	0	0.00
		16456583	23.14
		6500000	9.14
		5000000	7.03
		3649707	5.13
<b>3</b>	<b>Reserves and Surplus</b>		
		As at 31st March, 2014	Addition during the year
		Deduction during the year*	As at 31st March, 2015
	Security Premium Reserve	186592500	0
	General Reserve	100000000	0
	Surplus in statement of profit and loss	164707370	13349472
		361299870	13349472
	* Profit for the period	2015	2014
	Profit for the period	18470903	23695721
	Less: Dividend on Equity Shares	4267950	4267950
	Tax on Distributed Profits on Equ	853481	725338
	Transfer to General Reserve	0	5121431
		13349472	4993288
			18702433
<b>4</b>	<b>Money Received against share warrants</b>	0	0
<b>5</b>	<b>Share Application Money pending allotment</b>	0	0
<b>6</b>	<b>Long Term Borrowings</b>		
	<b>Secured</b>		
	HDFC Bank Term loan	26245586	35786116
	HDFC Bank Car Loan-Zylo	274361	503226
	HDFC Bank Maruti Eco Loan	246646	
		26766593	36289342
	<b>Unsecured</b>		
	Term loan is against setting up the new engineering division and Factory Building at base rate + 3.30% interest rate for 5 years.		
	Car Loan is for purchase of car on 36 installments		
		0	0

YOGESH R. SHAH  
 DIRECTOR  
 MUMBAI  
 REGISTERED ACCOUNTANT



<b>VEER ENERGY &amp; INFRASTRUCTURE LIMITED</b>			
<b>Notes to the Financial Statements for the year ended 31st March, 2015</b>			
Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>7</b>	<b>Deferred tax liabilities</b>		
	Deferred Tax Liabilities	32478650	34078515
	Deferred Tax Assets	479401	415461
	Deferred Tax Liabilities ( Net )	<u>31999249</u>	<u>33663054</u>
<b>8</b>	<b>Other Long term liabilities</b>	<u>0</u>	<u>0</u>
<b>9</b>	<b>Long term provisions</b>		
	Provision for Gratuity	1410417	1222305
<b>10</b>	<b>Short-term borrowings</b>		
	<b>Secured</b>		
	HDFC Bank CC	0	0
	HDFC Bank OD A/c.	0	0
	CC Limit and OD against stock and debtors @ base rate plus 3% interest rate	28163105	24130751
	<b>Unsecured</b>		
	From Directors	0	0
	Factory/Intercompany Deposits	20000000	20000000
	Other Deposits/Advances	0	22500000
		<u>48163105</u>	<u>66630751</u>
<b>11</b>	<b>Trade payables</b>		
	Trade payables due to Micro, Small and Medium Ent.	0	0
	Trade Payable Others ( net of Advances )	103091978	232645040
	Due from Related parties	43880000	0
	Others	0	0
		<u>146971978</u>	<u>232645040</u>
<b>12</b>	<b>Other current liabilities</b>		
	Current maturities of long term debts	0	0
	Other payables-employees	0	0
	Trade deposits and Advances	0	0
	VAT, TDS, Service tax and Withholding tax payable	5557968	5063207
	Interest accrued and due	0	0
	Interest accrued but not due	0	0
	Unpaid matured deposits and interest accrued thereon	0	0
	Other payables	0	315000
		<u>5557968</u>	<u>5378207</u>
<b>13</b>	<b>Short-term provisions</b>		
	Dividends on Equity shares (Including Div.Dis.Tax	5121431	4993288
	Income Tax and Wealth Tax	13291361	7746157
	Employees benefits	33366	26188
	Others ( Including provision for MTM on forward contracts)	0	0
		<u>18446158</u>	<u>12765633</u>
<b>14</b>	<b>Fixed assets</b>	<u>155572550</u>	<u>166030147</u>
	<b>Capital work in progress</b>	<u>0</u>	<u>0</u>
<b>15</b>	<b>Non-current investments</b>		
	( All unquoted unless otherwise specified )		
	Veer Enterprise GmbH-100% subsidiaries in Germany Euro 25000 as Capital and Euro 73500 as loan.	6684527	6684527
	Shruti Power Projects Pvt. Ltd. 100% Subsidiary Capital Rs.190000000/- and Loan Rs.304000000/-	220400000	0
	Trade Investments - NSC-VIII issue	30000	30000
		<u>227114527</u>	<u>6714527</u>
<b>16</b>	<b>Deferred Tax Assets ( Net)</b>	<u>0</u>	<u>0</u>
<b>17</b>	<b>Long term loans and advances</b>		
	Business advances-Considered good	0	0
	GETCO- Advance	0	3535949
	Uttar Gujarat Viji Co. Ltd.	44849	0
	Office/Residence Deposits	15000000	15000000
		<u>15044849</u>	<u>18535949</u>
<b>18</b>	<b>Other non-current assets</b>		
	Share issue expenses a/c	0	629810
		<u>0</u>	<u>629810</u>

M. NO. 104182W MUMBAI  
 Chartered Accountant  
 M. No. 104182W  
 MUMBAI  
 M. No. 104182W  
 MUMBAI

M. No. 104182W  
 MUMBAI





**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2015**

Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>19</b>	<b>Current investments</b>		
	<b>In mutual Fund</b>		
	Name No. Face Value		
	Reliance Liquid Fund 0 0	0	0
	Trade Investments		
	HDFC Bank FD-For Bank guarantee facility	2485924	7813877
		<u>2485924</u>	<u>7813877</u>
<b>20</b>	<b>Inventories</b>		
	Raw Material		
	Solar Panel	560022	560022
	Work in Progress		
	Land for Wind farm	81216292	37506500
	Erection and commissioning product		0
	Foundation material		0
	Power Evacuation Facilities	96171047	201569229
	Engineering Division	59894	963365
	Op. & Maint. Productes	84179	1138678
	Electrical Material		0
	WTG		7450000
		<u>177531411</u>	<u>248627772</u>
	<b>Total</b>	<u>178091433</u>	<u>249187794</u>
<b>21</b>	<b>Trade receivables</b>		
	<b>Secured</b>	0	0
	<b>Unsecured</b>		
	More than 6 months considered good	28516465	4734348
	Less than 6months considered good	44982348	293365832
		<u>73498813</u>	<u>298100180</u>
	Less : Provision for doubtful debts	0	0
		<u>73498813</u>	<u>298100180</u>
<b>22</b>	<b>Cash and cash equivalents</b>		
	Cash in hand and as Imprest	65167	148461
	Cheques/ Drafts in hand		0
	On Current Account	279937	350880
	On Dividend Account		
	On Deposit Account		
	As Margin money		
		<u>345104</u>	<u>499341</u>
<b>23</b>	<b>Short-term loans and advances</b>		
	Loans and Advances to Related Parties	0	40000
	Loans and Advances to Others		
	Unsecured,considered good	48564724	37028837
	Deposits-Intercorporate		0
	Deposits/Balances with Excise/VAT authorities	7161379	28314950
	Advance payment of Income Tax/Wealth Tax/TDS	17218007	8131290
	Advance payment of VAT/Service tax	0	0
		<u>72944110</u>	<u>73515077</u>
		0	0
<b>24</b>	<b>Other current assets</b>		
<b>25</b>	<b>Revenue from operations</b>		
	Sales of Infrastructure Products	351105571	404899895
	Sales of Services	16496647	16758352
	Sales-Engineering Division	16448070	5555650
	Sales-Trading	84109467	222686003
	Other Operating Income	9153602	9598954
		<u>477313357</u>	<u>659498854</u>
	Less: Excise Duty	0	0
	Net Sales	<u>477313357</u>	<u>659498854</u>
	<b>Particulars of Sale of Products &amp; Services</b>		
	Sale of Infrastructure under works contract	351105571	404899895
	Sale of Services O & M of WTG Infrastructure	16496647	16758352
	Sale of Engineering Division	16448070	5555650
	Trading in Copper Tube and MS items	84109467	222686003
	Other operative income power generation	9153602	9598954

FRN  
104182W  
MUMBAI  
CHECKED ACCOUNTANT

Meera B. Jadhav. YR



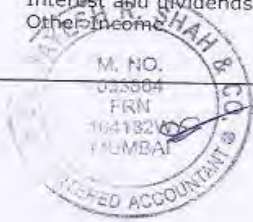
**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2015**

Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>26</b>	<b>Other Income</b>		
	Interest from Others	546215	560721
	Dividend		3099
	Net Gain/Loss on sale of current Investments	964086	0
	Other Non operating Income	350000	0
		<u>1860301</u>	<u>563820</u>
<b>27</b>	<b>Cost of materials consumed</b>	<u>0</u>	<u>0</u>
<b>28</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Infrastructure under W/C	225591236	529656183
	Purchase of Services-O & M Charges	13569317	11730963
	Purchase of Engineering Division	7648438	4577781
	Purchase-Trading	82249862	221095062
		<u>329058853</u>	<u>767059989</u>
<b>29</b>	<b>Change in Inventories of finished goods, WIP and Stock in Trade</b>		
	Stock at close		
	Lands for windfarm	81216292	37506500
	Erection and commissioning products	0	0
	Foundation materials	0	0
	Power evacuation facilities	96171047	201569229
	Engineering Division	59894	963365
	Op. & Maint. Products	84179	1138678
	Electrical Material	0	0
	WTG	0	7450000
	Solar Panel	560022	560022
		<u>178091433</u>	<u>249187794</u>
	Stock at commencement		
	Lands for windfarm	37506500	54608700
	Erection and commissioning products	0	0
	Foundation materials	0	2213200
	Power evacuation facilities	201569229	6783270
	Sub station at Bhavnagar	963365	0
	Job Work	1138678	0
	O & M products	0	707643
	WTG Machine	7450000	7450000
	Solar Panel	560022	560022
		<u>249187794</u>	<u>72322835</u>
		<u>71096361</u>	<u>-176864959</u>
<b>30</b>	<b>Employee benefit expense</b>		
	Salaries, Wages, Bonus, Gratuities & Allowances	7814116	6981073
	Staff Welfare Expenses	374872	911643
		<u>8188988</u>	<u>7892716</u>
<b>31</b>	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	5664988	3424446
	Bank Charges	518224	449111
		<u>6183212</u>	<u>3873557</u>
<b>32</b>	<b>Other expenses</b>		
	<b>Other Direct Expenses-A</b>		
	Cinsumables		0
	Freight	555310	0
	Getco/GEDA/MEDA Liasoning Fees	12950181	964595
	Gujarat Energy Development Agency Fees		61500
	Rent	153821	
	VAT/CST/Ser. Tax paid	1412146	4482405
	Land Survey / NA / Lease/ Rent	2103455	2320587
	Lease rent and taxation		0
	Petroleum, Power & Fuel	198797	177011
	Security Charges	2133098	1945891
	Wind Research expenses	25350	0
	Other Direct Expenses		393372
		<u>19532158</u>	<u>10345361</u>



**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2015**

Note No.	Particulars	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	<b>Admn. and Establishment Exp.-B</b>				
	Rent, Rates & taxes				0
	Insurance	757282		1181791	
	Advertisement publicity& sales promotion	1310097		303254	
	Travelling & other incidental expenses	684410		696428	
	Office maintenance	377145		429568	
	Vehicle running & maintenance	190719		402199	
	Printing & stationery	350313		107499	
	Communication expenses	307027		378468	
	Staff recruitment & training			0	
	Donation			0	
	Auditors remuneration As auditors	275000		275000	
	for tax audit	25000		25000	
	for certification/limited review	50000		50000	
	out of pocket expenses				
	Repairs				
	Others	438868		150732	
	Machineries			0	
	Office building			12042	
	Legal, professional & consultancy charges			787496	
	Engineering Division Expenses	1834696		3386488	
	Director's sitting fees	2945902		0	
	Director's commission			0	
	Discount			0	
	Listing/custodian Exp. Fees	43387		32401	
	Miscellaneous expenses*	341902		280862	
	Share issue expenses w/Off	352717		278846	
	Bad debts/irrecoverable advances written off	629810		629811	
		1533990			
		12448264		9407885	
	Total A + B	31980423		19753246	
33	VI. Exceptional Items	0		0	
34	VIII. Extraordinary Items	0		0	
35	XII. Profit/(Loss) from discontinuing operations	0		0	
36	<u>Value of Imports on CIF basis in respect of :</u>	<b>2014-15</b>		<b>2013-14</b>	
	Raw Material	Nil		Nil	
	Componets and Spare Parts	Nil		Nil	
	Capital Goods	Nil		Nil	
37	<u>Expenditure in Foreign Currency on account of:</u>				
	a) Royalty, know how, professional, consultation fees, interest and other matters	Nil		Nil	
	b) Travelling	Nil		Nil	
38	<u>Dividend Remitted in foreign currency</u>	Nil		Nil	
39	<u>Value of Imported and Indigenous material consumed &amp; percentage there of</u>				
		Value		Value	
			%		%
	Value of Imported material consumed	0	0	0	0
	Value of Indigenous material consumed	386585897	100	578464067	100
	Total	386585897	100	578464067	100
40	<u>Earning in foreign exchange</u>				
	FOB Value of exports	0	0	0	0
	Royalty, know how Professional and consul	0	0	0	0
	Interest and dividends	0	0	0	0
	Other Income	0	0	0	0

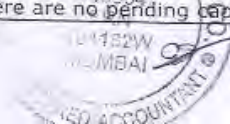


Naresh [Signature]



**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March, 2015**

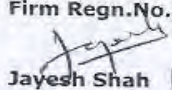
Note No.	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>41</b>	<b>Earning per share (EPS)</b>		
i)	Net Profit after tax as per statement of Profit and Loss	184709Q3	23695727
ii)	Weighted Average number of equity shares used as denomination for calculating EPS	71132500	71132500
iii)	Basic and Earning per share	0.26	0.33
	Diluted Earning per Share	0.26	0.33
iv)	Face Value per equity share	1.00	1.00
<b>42</b>	<b>Payment to Auditors</b>		
a)	As Auditor :	275000	275000
b)	As Advisor, or in any other capacity		
i)	Taxation matters ( Tax Audit)	25000	25000
ii)	Company Law matters;	-----	-----
iii)	management services	-----	-----
c)	In any other manner- Limited Review Report	50000	50000
<b>43</b>	<b>a) Employees Retirement Benefits:</b>		
	As required by the mandatory accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer" . Acturial Valuation Report has been obtained for the liabilities for gratuity and leave encashment benefits. The amount as per report is Rs.385473/- for the year which has been provided in the accounts but investments of the total amount till date Rs. 960386/- has not been made so far.		
<b>44</b>	<b>Segment Reporting as required by Accounting Standard 17</b>		
	Primary Segment Energy & Infrastructure	78.93	100%
	Engineering Division	3.45	0%
	Secondary Segment Trading	17.62	0%
	Geographical Segmer 100% Revenue from India only.		
<b>45</b>	<b>Related parties disclosure in accordance with the accounting standard 18</b>		
	List of Related Parties : Enterprise owned or significantly controoled by the Directors of the Company:		
	The name of the Company/Firm	Director Interested	Capacity
	1 M/s. Veerhealth Care Limited	Yogesh M. Shah	Director
	2 M/s. Shruti Power Projects Pvt. l	Yogesh M. Shah	Director
	3 M/s. Krupa Wind tech Pvt. Ltd.	Yogesh M. Shah	Director
	4 M/s. Ruchi Windfarm Pvt. Ltd.	Yogesh M. Shah	Director
	5 M/s Arpan Housing Company	Yogesh M. Shah	Proprietor
	6 M/s. Daanish Engineering	Prakash C. Shah	Proprietor
	7 M/s. Kunal Traders	Prakash C. Shah	Proprietor
	8 Ms. Shruti Y. Shah	Yogesh M. Shah	Daughter
	9 M/s. Veerhealth Care Limited	Mitesh Kuvadla	Director
	10 M/s. Ratnakar Fasteners Private	Mitesh Kuvadla	Director
	11 Mehta Chetan & Associates	Chetan Mehta	Proprietor
	12 Ms. Krupa Y. Shah	Yogesh M. Shah	Daughter
	<b>Key Managerial Person</b>		
	Mr. Yogesh M. Shah	Managing Director	
	Mr. Prakash C. Shah	Executive Director	
	Mr. Nilay P. Shah	Executive Director	
	Mr. Kunal P. Shah	Chief Financial Officer	
	Ms. Nipa Shah	Company Secretary	
	<b>Transaction with related party</b>		
	M/s Veerhealth Care Ltd.	Purchase of Land	47500000
	M/s Veerhealth Care Ltd.	Sale of Machinery	9969160
	M/s. Daanis Engineering	Sale of Goods	1696051
	Mr. Yogesh M. Shah	Remuneration Paid	1625000
	Mr. Prakash Shah	Remuneration Paid	650000
	Mr. Nilay Shah	Remuneration Paid	780000
	Ms. Nipa Shah	Salaries Paid	87500
	Ms. Shruti Y. Shah	Salaries Paid	198000
	Ms. Krupa Y. Shah	Salaries Paid	68000
	<b>Details of outstandings with Related Party at the end of the ye 31-3-2015</b>		31-3-2014
	Veerhealth Care Limited		43880000/- Cr. 30000000/- Cr.
	Daanish Engineering		195479 /- Dr.
<b>46</b>	There are no pending capital commitments.		0

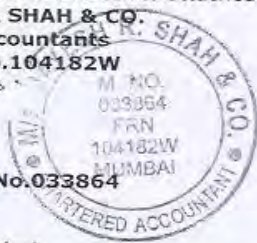


**47 Contingent Liabilities**

- The Company has a 100% subsidiary in Germany named " Veer Enterprise - GMBH" Subsidiary has incurred a loss of INR 398269/- equivalent to Euro 5899/- during the year 2014-15. The accumulated loss is INR 8254839/- equivalent to Euro 122275/- The investment of the Company so far is Euro 25000/- in equity and Euro 73500/- as loan totalling to Euro 98500/- Hence ther is a contingent liability to the tunr of Euro 25632/- equivalent to INR 1730449/- as on 31st March, 2015 considering the exchange rate of 1 Euro = INR 67.5104 as per RBI reference rate. The management is hopeful to recover the losses of subsidiary in future.
- 48** The Company has not been informed by any suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ( The Act ) and hence disclosure regarding:
- (a) Amount due and outstanding to suppliers as the end of accounting year;
  - (b) Interest paid during the year;
  - (c) Interest payable at the end of the accounting year, and
  - (d) Interest accrued and unpaid at the end of the accounting year, has not been provided.
- 49** The Company has floated a 100% subsidiary " Veer Enterprise-GMBH" in Germany to explore the possibility of expansion in the field of non conventional energy with the help of colloberation with any company in this field with a wide experience and capital resources. The main idea is to make development in India only at a later stage. The subsidiary is incurring losses, but the management is hopeful to recover the same in future. The management has taken care to minimise the expenses.
- 50** The Company has also 100% subsidiary in India " Shruti Power Projects Pvt Ltd., The subsdiary is engaged in the same business of non conventional energy.
- 51** Previous year figures have been regrouped & rearranged wherever necessary.

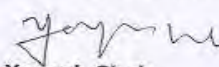
As per our report of even date attached

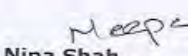
**For JAYESH R SHAH & CO.**  
**Chartered Accountants**  
 Firm Regn.No.104182W  
  
**Jayesh Shah**  
 Proprietor  
 Membership No.033864

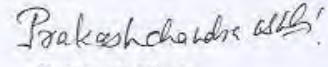


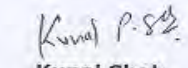
**Place: Mumbai**  
**Date: 28th May, 2015**

**For and on Behalf of the Board**

  
**Yogesh Shah**  
 Managing Director  
 DIN: 00169189

  
**Nipa Shah**  
 Company Secretary

  
**Prakash Shah**  
 Executive Director  
 DIN: 01660194

  
**Kunal Shah**  
 C.F.O.



## INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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To,  
The Members of  
**VEER ENERGY & INFRASTRUCTURE LIMITED**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Veer Energy & Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements of M/s. Veer Enterprise-GmbH a 100 % subsidiary, whose financial statements duly certified by two Directors of the Holding Company reflect total assets of Rs.125384/- as at 31<sup>st</sup> March, 2015, total revenues of Rs. Nil and net cash flows amounting to Rs.521796/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements submitted by the Directors of the Holding Company.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

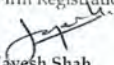
### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. the reports on the accounts of the branch offices of the Holding Company, and its subsidiaries have been properly dealt with in preparing this report.



- d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- e. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- there were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
  - the Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

  
Jayesh Shah  
Proprietor  
Membership No. 033864



Place: Mumbai  
Date: 28<sup>th</sup> May, 2015

**Annexure referred to in paragraph (1) under "Report on Other Legal and Regulatory Requirements" of Independent Auditors Report of even date.**

- 1) (i) The Group has maintained proper records showing full particulars including quantitative details and situations of fixed assets on the basis of available information.  
(ii) According to the information and explanation, the fixed assets have been physically verified by the management once in a year which in our opinion is reasonable, having regards to the size of the Company and nature of its business. No material discrepancies have been noticed on such verifications.
- 2) (i) As per the information furnished, the inventories have been physically verified by the management during the year at reasonable intervals, having regard to the nature of stocks, the frequency of the physical verification is reasonable.  
(ii) In our opinion and according to the information and explanation given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;  
(iii) The Group has maintained proper records of inventories. As explain to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- 3) As per the information furnished, the Company has granted unsecured interest free loans to its subsidiary covered in the Register, maintained under Section 189 of the Companies Act, 2013;  
(i) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;  
(ii) In respect of such loans given by the Company, there are no overdue amounts more than Rs.1,00,000/-.
- 4) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories, fixed assets and for sale of goods & services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
- 5) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- 6) As per the information provided, the Company is not covered under Section 148 of the Companies Act, 2013, hence not required to maintain cost records.





7) (i) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance Fund, Income-tax, Sales-tax, wealth tax, service tax, Custom Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the records of the Company and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.

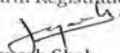
(ii) According to the records of the Company and information and explanation given to us and record verified by us the outstanding dues of Sales-tax, Custom Duty, Excise Duty, Income tax, wealth tax, service tax, cess which have not been deposited, with the appropriate authorities on account of disputes are as under:

Sr. No	Name of the Statute	Nature of Dues	Amt Due	Period to which the amt. relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	496471/-	A.Y.2010-11	Commissioners of IT(Appeals)
2	Income Tax Act, 1961	Income tax	447270/-	A.Y.2010-11	Commissioners of IT(Appeals)



- (iii) According to the information and verification of the records, we are of the opinion that the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under is nil as on the date of the financial year end.
- 8) The Company does not have the accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediate preceding financial year.
  - 9) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues to any banks or financial institutes and debenture holders.
  - 10) According to the information and explanation given to us, the Company has given guarantee for loans taken by its 100% subsidiary company from the financial institutions. We are of the opinion that the terms and conditions of the loans are not prejudicial to the interest of the company.
  - 11) According to the records verified us, we are of the opinion that the term loan obtained in the last years for setting up the Engineering unit and new Factory Building, have been utilized for the same purpose.
  - 12) On the basis of our examination and according to the information and explanations given to us, no material fraud, on or by the Company, has been noticed or reported during the year under audit.

For Jayesh R. Shah & Co  
Chartered Accountants  
Firm Registration No. 104182W

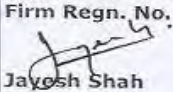
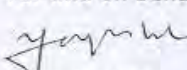

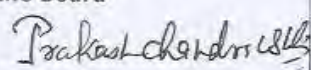
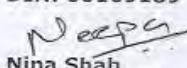
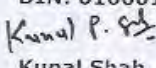
  
Jayesh Shah  
Proprietor  
Membership No. 033864

Place: Mumbai  
Date: 28<sup>th</sup> May, 2015



<b>VEER ENERGY &amp; INFRASTRUCTURE LIMITED</b>			
<b>Consolidated Balance Sheet as at 31st March, 2015</b>			
Particulars	Note No	As at 31/03/2015	As at 31/03/2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	71132500	71132500
(b) Reserves and Surplus	3	364823638	353099230
(c) Money Received against share warrants	4	0	0
<b>(2) Share application money pending allotment</b>	5	0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	422697042	36289342
(b) Deferred tax liabilities (Net)	7	31999249	33663054
(c) Other Long term liabilities	8	0	0
(d) Long term provisions	9	1410417	1222305
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	48163105	66630751
(b) Trade payables	11	314334300	232645040
(c) Other current liabilities	12	5849805	6898644
(d) Short-term provisions	13	18446158	12739445
<b>Total</b>		<b>1278856214</b>	<b>814320311</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) <i>Fixed assets</i>	14		
(i) Tangible assets		155572550	166030147
(ii) Intangible assets			
(iii) Capital work-in-progress		0	0
(iv) Intangible assets under development			
(b) Non-current investments	15	30000	30000
(c) Deferred tax assets (net)	16	0	0
(d) Long term loans and advances	17	15044849	18535949
(e) Other non-current assets	18	3005945	629810
<b>(2) Current assets</b>			
(a) Current investments	19	2485924	7813877
(b) Inventories	20	941387510	249187794
(c) Trade receivables	21	73498813	298100180
(d) Cash and cash equivalents	22	342479	517477
(e) Short-term loans and advances	23	87488144	73475077
(f) Other current assets	24	0	0
<b>Total</b>		<b>1278856214</b>	<b>814320311</b>
<b>Notes Financial Statements and Significant Accounting Policies</b>			
<b>The note No. 1 to 51 forms an integral part of these Financial Statements</b>			
As per our Report of Even date Attached		For and on behalf of the Board	
<b>For Jayesh R. Shah &amp; Co.</b>		<i>Yogesh Shah</i> <i>Prakash Shah</i>	
Chartered Accountants		Yogesh Shah	
Firm Regn. No. 104182W		Managing Director	
<i>Jayesh R. Shah</i>		DIN: 00169189	
Jayesh Shah		Prakash Shah	
Proprietor		Executive Director	
M.No. 033864		DIN: 01660194	
Place: Mumbai		<i>Nipa Shah</i>	
Date: 28th May, 2015		Nipa Shah	
		Company Secretary	
		<i>Kunal P. Shah</i>	
		Kunal Shah	
		C.F.O.	



<b>VEER ENERGY &amp; INFRASTRUCTURE LIMITED</b>			
<b>Consolidated Statement of Profit and Loss for the year ended 31st March, 2015</b>			
Particulars	Note No	2014-15	2013-14
I. Revenue from operations	25	477313357	659498854
II. Other Income	26	1860301	563820
<b>III. Total Revenue (I + II)</b>		<b>479173658</b>	<b>660062674</b>
<i>IV. Expenses:</i>			
Cost of materials consumed	27	0	0
Purchase of Stock-in-Trade	28	1092354930	767059989
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	-692199716	-176864959
Employee benefit expense	30	9301378	7939272
Financial costs	31	6304374	3873557
Depreciation and amortization expense	14	10313519	8195826
Other expenses	32	32371935	20214629
<b>Total Expenses</b>		<b>458446420</b>	<b>630418314</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	20727238	29644360
VI. Exceptional Items	33	0	0
VII. Profit before extraordinary items and tax (V - VI)		20727238	29644360
VIII. Extraordinary Items	34	0	0
IX. Profit before tax (VII - VIII)		20727238	29644360
X. Tax expense:			
(1) Current tax		5545204	7746157
(2) Deferred tax		-1663805	-1289579
		3881399	6456578
XI. Profit(Loss) from the period from continuing operations	(IX-X)	16845839	23187782
XII. Profit/(Loss) from discontinuing operations	35	0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
XV. Profit/(Loss) for the period (XI + XIV)		16845839	23187782
XVI. Earning per equity share of Rs.1/- face value:			
(1) Basic		0.24	0.33
(2) Diluted		0.24	0.33
<b>Notes Financial Statements and Significant Accounting Policies</b>			
<b>The note No. 1 to 51 forms an integral part of these Financial Statements</b>			
As per our Report of Even date Attached For Jayesh R. Shah & Co. Chartered Accountants Firm Regn. No. 104182W		For and on behalf of the Board	
 Jayesh Shah Proprietor M.No. 033864 Place: Mumbai Date: 28th May, 2015		 Yogesh Shah Managing Director DIN: 00169189	
		 Prakash Shah Executive Director DIN: 01660194	
		 Nipa Shah Company Secretary	
		 Kunal P. Shah C.F.O.	

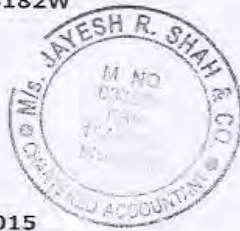


**VEER ENERGY & INFRASTRUCTURE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

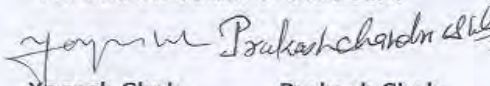
	As at 31/03/2015	As at 31/03/2014
<b>A Cash Flow from Operating Activities</b>		
Net Profit before tax	20727238	29644360
Adjustments for :		
Depreciation/Amortisation	10313519	8195826
Share Issue Expenses written off	619810	629811
Right Issue Expenses written off		
Prior year adjustment	0	-529176
Other Income	-1860301	-563820
Operating Profit before Working Capital Changes	29800266	37377001
Adjustments for :		
(Increase) / Decrease in Long term loans and advances	3491100	-3445829
(Increase) / Decrease in Other non current assets	-2995944	0
(Increase) / Decrease in Inventories	-692199716	-176864959
(Increase) / Decrease in Trade Receivable	224601367	258088413
(Increase) / Decrease in short term loans and Advances	-14013067	-35515122
(Increase) / Decrease in Other Current Assets	0	0
(Increase) / Decrease in Current Investments	5327953	33882724
Increase /(Decrease) in other long term liabilities	0	0
Increase /(Decrease) in Long term provisions	188112	261919
Increase /(Decrease) in Short Term Borrowings	-18467646	-6945426
Increase /(Decrease) in Trade Payables	81689260	-82247258
Increase /(Decrease) in Other Current Liabilities	-1048839	1433543
Increase /(Decrease) in Short Term Provisions	5706713	-7418698
Cash generated from Operations	-407720707	-18770693
Current and Deferred Tax Adjustment	5545204	7746157
Net Cash (used) / from Operating Activities	<b>-383465645</b>	<b>10860151</b>
<b>B Cash flow from Investing Activities</b>		
Sale/(Purchase) of Fixed Assets	144078	-16904933
Sale/(Purchase) of Non Current Investments	0	0
Increase/(Decrease) in Share Capital		
Increase/(Decrease) in Reserves	0	0
Increase/(Decrease) of Long Term Borrowings	386407700	10181442
Loss on Sale of Leased Assets		
Interest & Other Income	1860301	563820
Net Cash (used in) / from Investing Activities	<b>388412079</b>	<b>-6159671</b>
<b>C Cash flow from Financial Activities</b>		
Dividend Paid	5121431	4993288
Interest Paid	0	0
Net Cash ( used in )/ from Financing Activities	5121431	4993288
Net changes in cash & cash equivalents ( A + B + C )	-174998	-292808
Cash & cash equivalents - Opening Balance	517477	810285
Cash & cash equivalents - Closing Balance	<b>342479</b>	<b>517477</b>


**For Jayesh R. Shah & Co.**  
**Chartered Accountants**  
**Firm Regn.No. 104182W**

  
**Jayesh Shah**  
**Proprietor**  
**M. No. 033864**  
**Place : Mumbai**  
**Date: 28th May, 2015**



**For and on behalf of the Board**

  
**Yogesh Shah**                      **Prakash Shah**  
**Managing Director**            **Executive Director**  
**DIN: 00169189**                    **DIN: 01660194**

  
**Nipa Shah**                              **Kunal P. Shah**  
**Company Secretary**              **C.F.O.**

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
1	<b>Significant Accounting Policies</b>		
(a)	<p><b>Basis of Accounting:</b> The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accruals basis. Except in respect of assets classified as Non Performing Assets (NP)</p>		
(b)	<p><b>Use of Estimates</b> The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those of estimates.</p>		
(c)	<p><b>Revenue Recognition:</b> (i) Sale of goods: Revenue from the sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the respective Sales Order. (ii) Interest Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable (iii) Dividend Dividend Income from investments are recognized when the right to receive payment established.</p>		
(d)	<p><b>Fixed Assets</b> Fixed Assets are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use.</p>		
(e)	<p><b>Depreciation and Amortisation</b> Depreciation is provided on the straight line method based as per the rate specified in Schedule II of the Companies Act, 2013.</p>		
(f)	<p><b>Investments</b> Long-term investments are carried at cost. However, Provision is made to recognize, other than temporary, in the value of long-term investments. Current Investments are carried at lower of cost and fair values, determined on individual basis.</p>		
(g)	<p><b>Inventories</b> Inventories are at lower of cost and net realizable value. Stock of land is valued at lower of cost and net realizable value. Cost is determined on the weighted average basis, net realizable value is determined by management using technical estimates.</p>		
(h)	<p><b>Borrowing Costs</b> Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.</p>		
(i)	<p><b>Retirement and other employee benefits</b> The Company has adopted the policy to provide for the Liability for gratuity and leave encashment benefits on actuarial valuation. Actuarial Valuation report has been obtained for the liabilities for gratuity and leave encashment benefits and provision has been made accordingly.</p>		
(j)	<p><b>Provisions, Contingent liabilities and contingent Assets.</b> A Provision is recognized when the Company has a Present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed by way of Notes to the account. Contingent assets are not recognized.</p>		
(k)	<p><b>Provision for current and deferred tax</b> Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that original in one period are capable of reversal in one or more subsequently period.</p>		
(l)	<p><b>Foreign Currency Transaction</b> a) Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. b) Monetary items denominated in foreign currency at the year end are restated at year end rates. c) Non monetary foreign currency items are carried at cost.</p>		



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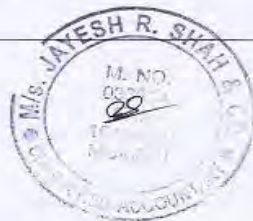


VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
(m)	<b>Impairments</b> Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of Profit and Loss and carrying amount of the asset is reduced to its recoverable amount.		
(n)	<b>Earning Per Share</b> Basic earnings per Share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings per share, the net profit for period attributed to equity shareholders and the weight average number of share outstanding during the period adjusted for the effects of all dilative potential equity shares. The number of equity shares and potential dilative equity shares are adjusted for bonus as appropriate.		
(o)	<b>Share Issue Expenses</b> Share issue expenses are redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years		
2	<b>Share Capital</b> <u>Authorised</u> 15,00,00,000 Equity shares of Rs. 1/- each (Previous year 15,00,00,000 Equity shares of Rs.1/- each) <u>Issued, Subscribed and Paid up</u> 71132500 Equity shares of Rs. 1/- each fully paid up (Previous year 71132500 Equity shares of Rs.1/- each)	150000000  71132500 <u>71132500</u>	150000000  71132500 <u>71132500</u>
	Of the above 45400000 equity shares of Rs. 1 each were allotted as fully paid bonus shares by capitalisation of reserve in last five years.		
	<b>Details of shares held by each share holders holding more than 5% shares</b>		
	Name	Number of Shares	%
	Yogesh M. Shah	20649311	29.03
	Cresta Fund Ltd.	0	0.00
	Sparrow Asia Diversified Opportunity	0	0.00
	Shriram Credit Company Limited	0	0.00
		16456583	23.14
		6500000	9.14
		5000000	7.03
		3649707	5.13
3	<b>Reserves and Surplus</b>		
		As at 31st March, 2014	Addition during the year
		Deduction during the year*	As at 31st March, 2015
	Security Premium Reserve	186592500	0
	General Reserve	10000000	0
	Surplus in statement of profit and loss	156506730	11724408
		353099230	0
	* Profit for the period	2015	2014
	Profit for the period	16845839	23187782
	Less: Dividend on Equity Shares	4267950	4267950
	Tax on Distributed Profits on Equity Shares	853481	725338
	Transfer to General Reserve	0	4993288
		11724408	18194494
	* Addition to profit include Rs.4205796/- prior period adjustment on account of tax		
4	<b>Money Received against share warrants</b>	0	0
5	<b>Share Application Money pending allotment</b>	0	0
6	<b>Long Term Borrowings</b>		
	<b>Secured</b>		
	HDFC Bank Term loan	26245586	35786116
	HDFC Bank Car Loan-Zylo	274361	503226
	HDFC Bank Maruti Eco Loan	246646	0
	Term loan is against setting up the new engineering division and factory building at base rate+3.30% interest rate for 5 years. Car Loan is for purchase of car on 36 instalments. Indian Renewable Development Agency Term loan for 5 year with 1 Year moratorium @ 11%pa interest.		
	TREDA Loan	394200000	
	Veer GmbH Loan	1730449	
		422697042	36289342
	<b>Unsecured</b>	0	0



*n Yu P. Ahls. vs.*

VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
<b>7</b>	<b>Deferred tax liabilities</b>		
	Deferred Tax Liabilities	32478650	34078515
	Deferred Tax Assets	479401	415461
	Deferred Tax Liabilities ( Net )	31999249	33663054
<b>8</b>	<b>Other Long term liabilities</b>	0	0
<b>9</b>	<b>Long term provisions</b>		
	Provision for Gratuity	1410417	1222305
<b>10</b>	<b>Short-term borrowings</b>		
	<b>Secured</b>		
	HDFC Bank CC	0	0
	HDFC Bank OD A/c.	0	0
	CC Limit and OD against stock and debtors @ base rate plus 3% interest rate	28163105	24130751
	<b>Unsecured</b>		
	From Directors	0	0
	Factory/Intercompany Deposits	20000000	20000000
	Other Deposits/Advances	0	22500000
		48163105	66630751
<b>11</b>	<b>Trade payables</b>		
	Trade payables due to Micro, Small and Medium Ent.	0	0
	Trade Payable Others ( net of Advances )	270454300	232645040
	Due from Related parties	43880000	0
	Others	0	0
		314334300	232645040
<b>12</b>	<b>Other current liabilities</b>		
	Current maturities of long term debts	0	0
	Other payables-employees	0	0
	Trade deposits and Advances		
	VAT, TDS, Service tax and Withholding tax payable	5814805	5089395
	Interest accrued and due		
	Interest accrued but not due		
	Unpaid matured deposits and Interest accrued thereon		
	Veer Enterprises-GMBH		1494249
	Other payables	35000	315000
		5849805	6898644
<b>13</b>	<b>Short-term provisions</b>		
	Dividends on Equity shares (Including Div.Dis.Tax)	5121431	4993288
	Income Tax and Wealth Tax	13291361	7746157
	Employees benefits	33366	
	Others ( Including provision for MTM on forward contracts)		
		18446158	12739445
<b>14</b>	<b>Fixed assets</b>		
	<b>Capital work in progress</b>	155572550	166030147
		0	0
<b>15</b>	<b>Non-current investments</b>		
	( All unquoted unless otherwise specified )		
	Veer Enterprise GmbH-100% subsidiaries in Germany Euro 25000 as Capital and Euro 73500 as loan (Previous Year Euro 70000)	6684527	292030
	Less: Intercompany	6684527	292030
		0	0
	Shruti Power Projects Pvt. Ltd. 100% Subsidiary Capital Rs.190000000/- and Loan Rs.30400000/-	220400000	
	Less:Intercompany	220400000	
		0	
	Trade Investments - NSC-VIII issue	30000	30000
		30000	30000
<b>16</b>	<b>Deferred Tax Assets ( Net)</b>	0	0
<b>17</b>	<b>Long term loans and advances</b>		
	Business advances-Considered good.		
	GETCO- Advance		3535949
	Uttar Gujarat Vj Co. Ltd.	44849	
	Office/Residence Deposits	15000000	15000000
		15044849	18535949
<b>18</b>	<b>Other non-current assets</b>		
	Share issue expenses c/fd.	3005945	629810
		3005945	629810



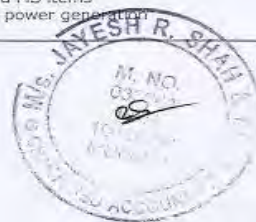
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VEER ENERGY & INFRASTRUCTURE LIMITED  
FIXED ASSETS : Note No. 14

DESCRIPTION	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	As At 1.04.2014	ADD DURING THE YR.	DEDUC. DURING THE YR.	AS AT 31.03.2015	Up To 1.04.2014	On Op.Bal	On Add. Deduction	For the Year 2014-15	Up To 31.3.2015	As at 31.3.2015	As at 31.3.2014
Factory Land & Building at Changodar	12708400	0	0	12708400	0	0	0	0	0	12708400	12708400
New Factory Building at Changodar	20666404	0	0	20666404	448566	655125	0	632294	1080860	19585544	20217838
Factory Shed at Changodar	8544236	0	0	8544236	435852	175752	0	-84901	359951	5193285	5108384
Air Conditioner - Mumbai	394400	0	0	394400	85239	24966	0	53320	138559	258841	309160
Air Conditioner - Ahmedabad	201587	0	0	201587	21175	12760	0	19802	40978	160609	180412
Epilax - Mumbai	49154	0	0	49154	12172	481	0	36983	49155	-1	36983
Epilax - Ahmedabad	25280	0	0	25200	2476	4788	0	12216	14692	10508	22724
Office Equipments	167635	29500	0	197135	26821	31851	2472	114781	141602	55533	140815
Alarm Lock	0	3300	0	3300	0	0	321	321	321	2979	0
Attendance Machine	0	10000	0	10000	0	0	973	973	973	9027	0
Lift	0	1187702	0	1187702	0	0	26939	26939	26939	1160763	0
Computer - Mumbai	531540	30500	0	562040	507990	19050	4922	45616	553606	8434	52651
Computer - Ahmedabad	188422	0	0	188422	51031	39673	0	117022	148053	40369	128201
Furniture & Fixtures - Mumbai	2445357	91480	0	2536837	440506	232309	8095	461009	901516	1635321	2084851
Furniture & Fixtures - Ahmedabad	3502271	59600	0	4098271	45197	33276	2110	58021	103218	306659	305074
CCTV Camera - Factory	0	95490	0	95490	0	0	6642	6642	6642	88848	0
Projector-Mumbai	68625	0	0	68625	31705	6519	0	22304	54099	14526	36200
Ahmedabad - Office	2205000	0	2205000	0	169086	-169085	0	0	1	-1	2035915
Three Phase Transformer	393819	0	0	393819	113828	24929	0	62795	176623	217196	279993
Coil Winding Machine	237518	0	0	237518	59988	15035	0	34985	94973	142545	177530
CT Testing Panel	1060875	0	0	1060875	232181	67153	0	143881	376562	684313	828694
Vacuum Pump	172950	0	0	172950	40941	10948	0	24568	65509	107441	132010
Air Compressor	226800	0	0	226800	12897	14356	0	18646	31543	195257	213902
Automatic Voltage Regulator	243600	0	0	243600	13613	15420	0	19973	33586	210014	229987
CNC Tools/holders	449501	0	0	449501	20659	28453	0	33327	59986	393515	428842
CNC Turning Center - Haas - FTC	3179699	0	0	3179699	175701	201275	0	259936	435637	2744062	3003999
CNC VMC - 1000 A/VF - 3 - Haas	3356218	0	0	3356218	185453	212449	0	274368	459821	2896397	3170765
CNC VTL - Yooji - YV - 1200ATC	14977264	0	0	14977264	803203	948061	0	1214999	2018202	12959062	14174062
Crane at Fact 20 Ton	1400000	0	0	1400000	96014	88620	0	120558	216572	1183428	1303985
30 T Crane	1500000	0	0	1500000	65589	94950	0	116767	182386	1317644	1434411
Radial Drill Machine VR-4	400600	0	0	400600	15972	25388	0	30645	46617	353983	384628
Lathe Machine	490000	0	0	490000	16898	31917	0	36638	53336	436464	473102
WTC-Gujarat 1	12000000	0	0	12000000	3122358	570000	0	570000	3821928	8107642	8677642
WTC-Gujarat 2	12000000	0	0	12000000	3251928	570000	0	570000	3821928	8178072	8748072
WTC-Gujarat 3	10800000	0	0	10800000	2394937	513000	0	513000	2907937	7892063	8405063
WTC-Gujarat 4	10800000	0	0	10800000	2394937	513000	0	513000	2907937	7892063	8405063
WTC-Gujarat 5	10800000	0	0	10800000	2394937	513000	0	513000	2907937	7892063	8405063
WTC-Gujarat 6	10800000	0	0	10800000	2394937	513000	0	513000	2907937	7892063	8405063
WTC-Gujarat-850	47865415	0	0	47865415	6820820	2273607	0	2273607	9094427	38770988	4104594
Wind Mast	2905668	0	0	2905668	257625	183929	0	269703	527328	2378340	2648044
Car-Chevrolet	1012388	0	0	1012388	570474	120272	0	263190	833664	178724	441914
Car-Swift	664040	0	0	664040	344110	78888	0	165096	509206	154834	319931
Maruti Wagnore	454000	0	0	454000	150069	53935	0	91531	241600	212400	303931
Activa	56172	0	0	56172	11417	6673	0	9533	20950	35222	44754
Xplo Car	722511	0	0	722511	65818	85831	0	103323	168141	554370	656693
Maruti Luv	0	384264	0	384264	0	0	28516	28516	28516	355748	0
	194515269	1891836	2205000	194202105	28485120.47	8860622	80992	10313519	38629555	155572550	166030153
	0	0	0	0	0	0	0	0	0	0	0
Grand Total	194515269	1891836	2205000	194202105	28485120.47	8860622	80992	10313519	38629554.51	155572550.5	166030152.9
Previous Year	177572921	16842440	0	194152999	20289296	783111	365673	8145820	28485116	166030153	157283625

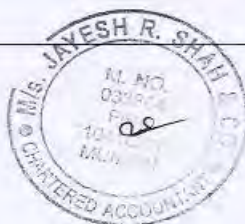
VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
19	<b>Current investments</b>		
	<b>In mutual Fund</b>		
	Name No. Face Value		
	Reliance Liquid Fund 0 0	0	0
	<b>Trade Investments</b>		
	HDFC Bank FD-For Bank guarantee facility	2485924	7813877
		<u>2485924</u>	<u>7813877</u>
20	<b>Inventories</b>		
	Raw Material		
	Solar Panel	560022	560022
	Work in Progress		
	Land for Wind farm	81216292	37506500
	Erection and commissioning product		0
	Foundation material		0
	Power Evacuation Facilities	96171047	201569229
	Engineering Division	59894	963365
	Op. & Maint. Products	84179	1138678
	WTG		7450000
	Shruti WIP of WTG projects	763296077	0
		<u>940827488</u>	<u>748627772</u>
	<b>Total</b>	<u>941387510</u>	<u>749187794</u>
21	<b>Trade receivables</b>		
	<b>Secured</b>	0	0
	<b>Unsecured</b>		
	More than 6 months considered good	28516465	4734348
	Less than 6months considered good	44982348	293365832
		<u>73498813</u>	<u>298100180</u>
	Less : Provision for doubtful debts	0	0
		<u>73498813</u>	<u>298100180</u>
22	<b>Cash and cash equivalents</b>		
	Cash in hand and as Imprest	67371	148461
	Cheques/ Drafts in hand		0
	On Current Account	275108	350880
	On Dividend Account		
	On Deposit Account		
	As Margin money		18136
	Veer Enterprises-GMBH		
		<u>342479</u>	<u>517477</u>
23	<b>Short-term loans and advances</b>		
	Loans and Advances to Related Parties	0	0
	Loans and Advances to Others		
	Unsecured, considered good	48564724	37028837
	Deposits-Intercorporate		0
	Deposits/Balances with Excise/VAT authorities	7181379	945298
	Advance payment of Income Tax/Wealth Tax/TDS	17218007	8131290
	Advance payment of VAT/Service tax	14524034	27369652
		<u>87488144</u>	<u>73475077</u>
24	<b>Other current assets</b>	0	0
25	<b>Revenue from operations</b>		
	Sales of Infrastructure Products	351105571	404899895
	Sales of Services	16496647	16758352
	Sales-Engineering Division	16448070	5555650
	Sales-Trading	84109467	222686003
	Other Operating Income	9153602	9598954
		<u>477313357</u>	<u>659498854</u>
	Less: Excise Duty	0	0
	Net Sales	<u>477313357</u>	<u>659498854</u>
	<b>Particulars of Sale of Products &amp; Services</b>		
	Sale of Infrastructure under works contract	351105571	404899895
	Sale of Services is O & M of WTG Infrastructure	16496647	16758352
	Sale of Engineering Division	16448070	5555650
	Trading in Coper Tube and MS items	84109467	222686003
	Other operative income - power generation	9153602	9598954



*N. M. Patel*



VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
<b>26</b>	<b>Other Income</b>		
	Interest from Others	546215	560721
	Dividend		3099
	Net Gain/Loss on sale of current Investments	964086	0
	Other Non operating Income	350000	0
		<u>1860301</u>	<u>563820</u>
<b>27</b>	<b>Cost of materials consumed</b>	<u>0</u>	<u>0</u>
<b>28</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Infrastructure under W/C	225591236	529656183
	Purchase of Services-O & M Charges	13569317	11730963
	Purchase of Engineering Division	7648438	4577781
	Purchase-Trading	82249862	221095062
	Purchase-Shruti Power Projects	763296077	
		<u>1092354930</u>	<u>767059989</u>
<b>29</b>	<b>Change in Inventories of finished goods, WIP and Stock in Trade</b>		
	<b>Stock at close</b>		
	Land for windfarm	81216292	37506500
	Erection and commissioning products		0
	Foundation materials		0
	Power evacuation facilities	96171047	201569229
	Engineering Division	59894	963365
	Op. & Maint. Products	84179	1138678
	WTG		7450000
	Solar Panel	560022	560022
	WIP Shruti Power Projects	763296077	0
		<u>941387510</u>	<u>249187794</u>
	<b>Stock at commencement</b>		
	Land for windfarm	37506500	54608700
	Erection and commissioning products		0
	Foundation materials		2213200
	Power evacuation facilities	201569229	6783270
	Sub station at Bhavnagar	963365	0
	Job Work	1138678	0
	O & M products		707643
	WTG Machine	7450000	7450000
	Solar Panel	560022	560022
		<u>249187794</u>	<u>72322835</u>
		<u>-692199716</u>	<u>-176864959</u>
<b>30</b>	<b>Employee benefit expense</b>		
	Salaries,Wages,Bonus,Gratuities&Allowances	8919116	6981073
	Veer Enterprises - GMBH		46556
	Staff Welfare Expenses	382262	911643
		<u>9301378</u>	<u>7939272</u>
<b>31</b>	<b>Financial costs</b>		
	Interest expenses on overdrafts and other borrowings	5664988	3424446
	Bank Charges	639386	449111
		<u>6304374</u>	<u>3873557</u>
<b>32</b>	<b>Other expenses</b>		
	<b>Other Direct Expenses-A</b>		
	Consumables		0
	Freight	555310	0
	Getco/GEDA/MEDA Liasoning Fees	12950181	964595
	Gujarat Energy Development Agency Fees		61500
	Rajasthan Renewable Energy Fees	153821	
	VAT/CST/Ser. Tax paid	1412146	4482405
	Land Survey / NA / Lease/ Rent	2103455	2320587
	Lease rent and taxation	0	0
	Petroleum, Power & Fuel	198797	177011
	Security Charges	2133098	1945891
	Wind Research expenses	25350	0
	Other Direct Expenses		393372
		<u>19532158</u>	<u>10345361</u>



N Yu P. Ashi: K2

VEER ENERGY & INFRASTRUCTURE LIMITED					
Notes to the Financial Statements for the year ended 31st March, 2015					
Note No.	Particulars	As at 31/03/2015		As at 31/03/2014	
	<b>Admn. and Establishment Exp.-B</b>				
	Rent, Rates & taxes		0	0	
	Insurance		757282	1181791	
	Advertisement publicity& sales promotion		1310097	303254	
	Travelling & other incidental expenses		800620	696428	
	Office maintenance		377145	429568	
	Vehicle running & maintenance		190719	402199	
	Printing & stationery		362343	107499	
	Communication expenses		317963	378468	
	Staff recruitment & training			0	
	Donation			0	
	Auditors remuneration As auditors		300000	275000	
	for tax audit		30000	25000	
	for certification/limited review		50000	50000	
	out of pocket expenses				
	Repairs		438868	150732	
	Others			0	
	Machineries			12042	
	Office building			787496	
	Legal,professional & consultancy charges		1834696	3386488	
	Engineering Division Expenses		2945902	0	
	Director's sitting fees			0	
	Director's commission			0	
	Discount		43387	32401	
	Listing/custodian Exp. Fees		341902	280862	
	Miscellaneous expenses*		355717	278846	
	Share issue expenses w/Off		629810	629811	
	Other Expenses Veer Enterprises - GMBH*		219336	461383	
	Bad debts/irrecoverable advances written off		1533990		
	Total A + B		12839776	9369268	
			32371935	20214629	
	* Rs.178933/- on account of exchange gain in investments value has been deducted from Veer Enterprises GMBH expenses account.				
33	VI. Exceptional Items		0	0	
34	VIII. Extraordinary Items		0	0	
35	XII. Profit/(Loss) from discontinuing operations		0	0	
36	Value of Imports on CIF basis in respect of :	<b>2014-15</b>		<b>2013-14</b>	
	Raw Material		Nil	Nil	
	Componets and Spare Parts		Nil	Nil	
	Capital Goods		Nil	Nil	
37	Expenditure in Foreign Currency on account of:				
	a) Royalty, know how, professional, consultation fees, interest and other matters		Nil	Nil	
	b) Travelling		Nil	Nil	
38	Dividend Remitted in foreign currency		Nil	Nil	
39	Value of Imported and Indigenus material consumed & percentage there of				
		Value	%	Value	%
	Value of Imported material consumed	0	0	0	0
	Value of Indigenus material consumed	386585897	100	578464067	100
	Total	386585897	100	578464067	100
40	Earning in foreign exchange				
	FOB Value of exports	0	0	0	0
	Royalty, know how Professional and consultancy fees	0	0	0	0
	Interest and dividends	0	0	0	0
	Other Income	0	0	0	0





VEER ENERGY & INFRASTRUCTURE LIMITED			
Notes to the Financial Statements for the year ended 31st March, 2015			
Note No.	Particulars	As at 31/03/2015	As at 31/03/2014
<b>41</b>	<b>Earning per share (EPS)</b>		
i)	Net Profit after tax as per statement of Profit and Loss	16845839	23187782
ii)	Weighted Average number of equity shares used as denomination for calculating EPS	71132500	71132500
iii)	Basic and Earning per share	0.24	0.33
	Diluted Earning per Share	0.24	0.33
iv)	Face Value per equity share	1.00	1.00
<b>42</b>	<b>Payment to Auditors</b>		
a)	As Auditor :	300000	275000
b)	As Advisor, or in any other capacity		
i)	Taxation matters ( Tax Audit)	30000	25000
ii)	Company Law matters;	-----	-----
iii)	management services	-----	-----
c)	In any other manner- Limited Review Report	50000	50000
<b>43</b>	<b>a) Employees Retirement Benefits:</b>		
	As required by the mandatory accounting standard -15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer" . Actuarial Valuation Report has been obtained for the liabilities for gratuity and leave encashment benefits. The amount as per report is Rs.385473/-, for the year which has been provided in the accounts but investments of the total amount till date Rs. 960386/- has not been made so far.		
<b>44</b>	<b>Segment Reporting as required by Accounting Standard 17</b>		
	Primary Segment Energy & Infrastructure	78.93	65.39
	Engineering Division	3.45	0.84
	Secondary Segment Trading	17.62	33.77
	Geographical Segmer 100% Revenue from India only.		
<b>45</b>	<b>Related parties disclosure in accordance with the accounting standard 18</b>		
	List of Related Parties : Enterprise owned or significantly controlled by the Directors of the Company:		
	The name of the Company/Firm	Director Interested	Capacity
	1 M/s. Veerhealth Care Limited	Yogesh M. Shah	Director
	2 M/s. Shruti Power Projects Pvt. Ltd.	Yogesh M. Shah	Director
	3 M/s. Krupa Wind tech Pvt. Ltd.	Yogesh M. Shah	Director
	4 M/s. Ruchi Windfarm Pvt. Ltd.	Yogesh M. Shah	Director
	5 M/s Arpan Housing Company	Yogesh M. Shah	Proprietor
	6 M/s. Daanish Engineering	Prakash C. Shah	Proprietor
	7 M/s. Kunal Traders	Prakash C. Shah	Proprietor
	8 Ms. Shruti Y. Shah	Yogesh M. Shah	Daughter
	9 M/s. Veerhealth Care Limited	Mitesh Kuvadia	Director
	10 M/s. Ratnakar Fasteners Private Limited	Mitesh Kuvadia	Director
	11 Mehta Chetan & Associates	Chetan Mehta	Proprietor
	12 Ms. Krupa Y. Shah	Yogesh M. Shah	Daughter
	<b>Key Managerial Person</b>		
	Mr. Yogesh M. Shah	Managing Director	
	Mr. Prakash C. Shah	Executive Director	
	Mr. Nilay P. Shah	Executive Director	
	Mr. Kunal P. Shah	Chief Financial Officer	
	Ms. Nipa Shah	Company Secretary	
	<b>Transaction with related party</b>		
	M/s Veerhealth Care Ltd.	Purchase of Land	47500000
	M/s Veerhealth Care Ltd.	Sale of Machinery	9969160
	M/s. Daanis Engineering	Sale of Goods	1696051
	Mr. Yogesh M. Shah	Remuneration Paid	1625000
	Mr. Prakash Shah	Remuneration Paid	650000
	Mr. Nilay Shah	Remuneration Paid	780000
	Ms. Nipa Shah	Salaries Paid	87500
	Ms. Shruti Y. Shah	Salaries Paid	198000
	Ms. Krupa Y. Shah	Salaries Paid	68000
	<b>Details of outstandings with Related Party at the end of the year</b>		
	Veerhealth Care Limited		31-3-2015 31-3-2014
	Daanish Engineering		43880000/- Cr. 30000000/- Cr.
			195479 /- Dr. 0
<b>46</b>	<b>There are no pending capital commitments.</b>		



no yr Prakash K

**47 Contingent Liabilities**

- The Company has a 100% subsidiary in Germany named " Veer Enterprise - GMBH" Subsidiary has incurred a loss of INR 398269/- equivalent to Euro 5899/- during the year 2014-15. The accumulated loss is INR 8254839/- equivalent to Euro 122275/- The investment of the Company so far is Euro 25000/- in equity and Euro 73500/- as loan totalling to Euro 98500/- Hence ther is a contingent liability to the tunr of Euro 25632/- equivalent to INR 1730449/- as on 31st March, 2015 considering the exchange rate of 1 Euro = INR 67.5104 as per RBI reference rate. The management is hopeful to recover the losses of subsidiary in future.
- 48** The Company has no liability under Micro, Small and Medlum Enterprises Development Act,2006 ( The Act ) and hence disclosure regarding:  
 (a) Amount due and outstanding to suppliers as the end of accounting year;  
 (b) Interest paid during the year;  
 (c) Interest payable at the end of the accounting year, and  
 (d) Interest accrued and unpaid at the end of the accounting year, has not been provided.
- 49** The Company has floated a 100% subsidiary " Veer Enterprise-GMBH" in Germany to explore the possibility of expansion in the field of non conventional energy with the help of colloberation with any company in this field with a wide experience and capital resources. The main idea is to make development in India only at a later stage. The subsidiary is incurring losses, but the management is hopeful to recover the same in future. The management has taken care to minimise the expenses.
- 50** The Company has also 100% subsidiary in India " Shruti Power Projects Pvt Ltd., The subsidiary is engaged in the same business of non conventional energy.
- 51** Previous year figures have been regrouped & rearranged wherever necessary.  
 As per our report of even date attached

**For JAYESH R SHAH & CO.**  
**Chartered Accountants**  
**Firm Regn.No.104182W**

Jayesh Shah  
 Proprietor  
 Membership No.033864



Place: Mumbai  
 Date: 28th May, 2015

**For and on Behalf of the Board**

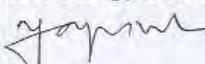
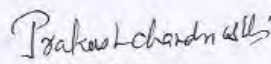
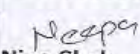
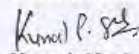
*Yogesh Shah*  
 Yogesh Shah  
 Managing Director  
 DIN: 00169189

*Nipa Shah*  
 Nipa Shah  
 Company Secretary

*Prakash Shah*  
 Prakash Shah  
 Executive Director  
 DIN: 01660194

*Kunal P. Shah*  
 Kunal Shah  
 C.F.O.



VEER Enterprise GmbH					
Balance Sheet as at 31st March, 2015					
Particulars	Note No	Figures as at the end of current reporting period in INR	Figures as at the end of current reporting period in EURO	Figures as at the end of Previous reporting period in INR	Figures as at the end of Previous reporting period in EURO
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital		1687760	25000	2064413	25000
(b) Reserves and Surplus		-8254839	-122275	-9609898	-116376
<b>(2) Non-Current Liabilities</b>					
(a) Long-term borrowings		0			
From Holding Company		4962014	73500	6069373	73500
From Others		1730449	25632	1494249	18095
<b>(3) Current Liabilities</b>					
(a) Other current liabilities		0	0	0	0
<b>Total</b>		<b>125384</b>	<b>1857</b>	<b>18136</b>	<b>220</b>
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
<b>(a) Fixed assets</b>					
<b>(i) Tangible assets</b>					
		0	0	0	0
<b>(2) Current assets</b>					
(a) Cash and cash equivalents		125384	1857	18136	220
<b>Total</b>		<b>125384</b>	<b>1857</b>	<b>18136</b>	<b>220</b>
<b>VEER Enterprises GmbH</b>					
<b>Statement of Profit &amp; Loss for the period ended 31st March, 2015</b>					
Particulars	Note No			Figures as at the end of current reporting period in INR	Figures as at the end of current reporting period in EURO
I. Revenue from operations		0	0	0	0
II. Other Income		0	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>III. Expenses:</b>					
Employee benefit expense		265565	3934	46556	564
Depreciation and amortization expense		0	0	0	0
Other expenses		132704	1966	222212	2691
		<b>398269</b>	<b>5899</b>	<b>268768</b>	<b>3255</b>
<b>Loss to be c/fd.</b>		<b>398269</b>	<b>5899</b>	<b>268768</b>	<b>3255</b>
1. The subsidiary follows calendar year as accounting year					
2. The above unaudited accounts of 100% subsidiary are considered in the meeting of the Board of Directors of Veer Energy & Infrastructure Ltd. and certified for consolidation.					
3. Exchange rate as on 31st March, 2015 is 1 Euro= INR 67.5104 as per RBI reference rate					
4. Exchange rate as on 31st March, 2014 is 1 Euro= INR 82.5765 as per RBI reference rate					
<b>For and on behalf of the Board</b>					
<b>Veer Energy &amp; Infrastructure Ltd.</b>					
 <b>Yogesh Shah</b> Managing Director DIN: 00169189		 <b>Prakash Shah</b> Executive Director DIN: 01660194			
 <b>Nipa Shah</b> Company Secretary		 <b>Kunal P. Shah</b> C.F.O.			
Place: Mumbai					
Date: 28th May, 2015					

**BOARD OF DIRECTORS**

Veer Energy & Infrastructure Limited is a professionally managed organization. The Company functions under the control of a Board of Directors. The day to day matters are looked after by qualified key personnel, under the supervision of the Managing Director.

<b>Name, Fathers' name, Designation, Status, Experience, Occupation, Address</b>	<b>Age (In Years)</b>	<b>Qualifications</b>	<b>DIN</b>	<b>Date of expiration of current term of office</b>
<b>Mr. YOGESH MAHASUKHLAL SHAH,</b> (S/o: Mr. Mahasukhlal Kantilal Shah) Designation: Managing Director Experience: - 30 Years Occupation: Business Address: 16/B, D Block, 1 <sup>st</sup> Floor, Khalakdina Terrace Tejpal Road August Kranti Maidan Gowalia Tank Cumballa Hill Mumbai-400026.	59	Graduate in Commerce	00169189	30.05.2019
<b>Mr. PRAKASH CHANDU LAL SHAH,</b> (S/o: Mr. Chandulal Nagardas Shah) Designation: Executive Director Experience: 30 Years Occupation: Business Address: 9B Rangdeep Flat Near Allay Flat Drive in Road Navrangpura Ahmedabad	66	Graduate in Commerce and Graduate in Law	01660194	Liable to retire by rotation
<b>Mr. JOSEPH JOHN TAURO,</b> (S/o: Mr. John Tauro) Designation: Independent Director Experience: 32 Years Occupation: Retired Deputy GM Address: DU-21, Maker Kundan-H, Juhu Road(North), Santacruz (w), Mumbai-400049	67	Bachelor of Commerce, CA IIB	01909501	31.03.2019
<b>Mr. NILAY KUMAR PRAKASH CHANDRA SHAH</b> (S/o: Mr. Prakash Chandra Chandulal Shah) Designation: Executive Director Experience: 18 Years Occupation: Business Address: 9B Rangdeep Flat Near Allay Flat Drive in Road Navrangpura Ahmedabad	43	Mechanical Engineer	05307690	Liable to retire by rotation
<b>Mr. Mitesh Jyotish Kuvadia</b> (S/o: Mr. Jyotish Kuvadia) Designation: Director Status: Independent Director Experience: - 03 Years Occupation: Business Address: 104, Janki Orchid, 90 Feet Road Opp. S.L Porwal School Thane, Bhayander West Thane Mumbai-401101	25	Bachelor of Commerce	03256900	31.03.2019



<p><b>Mr. CHETAN HASMUKHLAL MEHTA</b>          (S/o: Mr. Hasmukhlal Amarchand Mehta)          Designation: Director          Status: Independent Director          Experience: 02 Years          Occupation: Professional          Address: A-303, Pavan Kunj Building, 60 feet Cross Road Near Nakoda Hospital Devchand Nagar Bhayander (West) Thane Mumbai-401101</p>	33	Bachelor of Commerce and Chartered Accountant	06609429	31.03.2019
<p><b>Mrs. FALGUNI MANISH SHAH</b>          (D/o: Mr. Jaysukhlal Hemchand Shah)          Designation: Director          Status: Independent Director          Experience: - 04 Years          Address: 1603, Veer Tower, New Saibaba Nagar, Near Pawar Public School, Kandivali (West), Mumbai – 400067.</p>	38	Bachelor of Commerce	07490502	21.06.2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the Company's audited financial statements as of and for the years ended March 31, 2015, 2016 and 2017, prepared in accordance with the Companies Act and Indian GAAP.*

*Unless indicated otherwise, the financial data in this section is derived from the Company's audited financial statements prepared in accordance with Indian GAAP. The Company's FY year ends on March 31 of each year, so all references to a particular FY year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties. The actual results may differ from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Preliminary Placement Document.*

### OVERVIEW OF THE BUSINESS

Veer Energy & Infrastructure Limited was incorporated on 24<sup>th</sup> October, 1980 in the area of renewable energy & infrastructure development. Veer Energy & Infrastructure Limited develops, implements, finances and operates projects in the renewable energy sector, especially in wind energy. Veer Energy & Infrastructure Limited approach to development, operation, and management involves: Investing and identifying new high quality project opportunities in association with local partners and key stakeholders, Working with local communities for the optimal siting and design of wind farms, Taking initiatives to ensure it will be responsible, locally involved stakeholder over a projects entire life cycle (Planning, building, operating and decommissioning the wind farm).

Veer Energy & Infrastructure Limited is active in western region of India with approximately 55MW in operation or construction. The growth is expected in both core and new markets, supported by a large development pipeline and its network of joint development ventures with local developers & contractors.

VEIL objective is to play a major role in responding to the growing problem of climate change attributed to greenhouse gas emissions.

VEIL provides technical solutions for a future with reduced dependence on fossil fuels and fewer greenhouse gas emissions, which has been identified as the cause of global warming and is a major threat to our planet.

VEIL development of wind energy is consistent with what is prescribed by the Kyoto Protocol. Once in operation, wind farms are a virtually emission free energy source, providing clean and sustainable energy. Veer Energy works to be actively involved in all key phases of wind farm development, finance, construction and operation

Veer Energy's wind farm design ensures an optimal economic balance due to professional site selection and technical quality of the wind turbines.

The company is also into the business of investigating in the Wind Turbines itself. The company has started implementation of the project by installing 2 Nos. WTG's of 225 KW at the Surajbari Site, going further company has installed another 4 WTG's of 225 KW. Till date company has successfully completed and installed 6 WTG's of 225 KW totaling all together 1.35MW.

VEIL customers have freedom to select the wind turbines and capacity of their choice. The customers also have a choice of owning a bouquet of wind turbines of different makes and capacities at the same site.

Products of the company are used in construction of multi storied buildings, dams, bridges, flyovers and other infrastructure and construction projects and the Company's products adhere to high quality standards and it has got ISO 9001:2008 certification for "providing management services for Engineering, procurement and commissioning of Wind Farms".

During the FY 2016-17, the company reported net sales of Rs 1771.75 Lacs with profit after tax of Rs.120.46 Lacs as compared to Rs 4902.19 Lacs and Rs. 150.42 Lacs respectively during the corresponding period based on the standalone financial statements of the Company.

## i. FACTORS AFFECTING THE COMPANY'S RESULTS OF OPERATIONS

The financial condition of the Company and its results of operations are affected by numerous factors including the following:

### General economic and business conditions:

The demand for the Company's products and its business is dependent on general economic conditions in India and, may be affected if there are changes in business conditions in the country. In the era of globalization and cut throat competition, the Indian Industry is facing hurdles, which depend upon the following factors:

#### a. Demand:

Our revenues are dependent on the growing demand of power steel in different industries. Steel finds applications in industries such as construction, real estate, automobiles, power & energy, oil & gas, railways, shipbuilding, industrial machineries & equipment, consumer durables and agricultural equipment. Construction sector in the country is the largest consumer of steel. Construction industry includes housing, industrial construction and also infrastructure. Infrastructure sector includes various subsectors like roads, ports, aviation and power etc. which consume different varieties of steel products.

#### b. Competition:

Renewable energy is seen as the next big technology industry, with the potential to transform the energy industry across the world. Over the past few years, the cost structure of wind and solar and hydroelectric technologies has come down enormously. India's early and aggressive incentives for the wind sector have led to the development of world-class players.

Many of the states facing power shortages have sites with good wind power potential that is not being used efficiently due to the limitation of wind turbine manufacturers have their own wind farm developer division and in rest of the world, developer and manufacturer are different. Our company has successfully executed 200 MW as wind farm developer in India. Major competition is from wind turbine manufacturers, as they also have division of site development. Looking to the various local site related issues, many companies have preferred to close site development activity and tie up with the developer. Further every state has their own policies which becomes difficult for the companies to develop new site as a wind farm developer.

**Other Factors:** The Company's results of operations are dependent upon its success in managing its manpower. The Company has to schedule out manufacturing process and procurements according to delivery schedule of its customers. Any change in schedule may affect its operation in the short run.

**Cost of funds:** Another important problem that is hampering the India's competitiveness is the cost of funds available for promoting new projects. The higher cost of funds increases the required rate of return of projects, which consequently impedes further investment in any projects. Lending rates in India continue to be still higher in comparison to the international markets. Interest rate is mainly a function of two factors namely underlying liquidity and policies of the RBI, which in turn is influenced by trends in international rates, external sector scenario and inflation rate.

### Key factors influencing results of operations

Several factors influence the Company's results of operations, financial condition and cash flow significantly. The key factors affecting its operations include:

1. New competitive businesses.
2. Government Regulations and Policies.
3. Any slowdown in the economic growth.
4. Technology Upgradation.

**SUMMARY AND COMPARISON OF SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE OF THE COMPANY**
**COMPARISON OF FIGURES OF THE MAJOR HEADS OF THE PROFIT AND LOSS STATEMENT, INCLUDING AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE**

(Rupees in lakh)

PARTICULARS	2016-17 Standalone	2015-16 Standalone	Increase/ Decrease%	2015-16	2014-15	Increase / Decrease %
				Consolidated	Consolidated	
<b>INCOME</b>						
Sale of Infrastructure Products	1410.36	2749.21	-48.70	2749.21	3511.06	-21.70
Sale of Services	126.49	223.57	-43.42	223.57	164.97	35.52
Sale of Engineering Division	134.33	228.27	-41.15	228.27	164.48	38.78
Sales-Trading	-	1598.96		1598.96	841.09	90.11
Sales of power	-	-	-	341.64	-	
Generation Based Income	-	-	-	41.16	-	
Other Operating Income	100.57	102.18	-1.58	102.18	91.54	11.62
<b>TOTAL SALES</b>	<b>1771.75</b>	<b>4902.19</b>	-63.86	5284.99	4773.14	10.72
Other Income	118.6	8.2	1346.34	8.2	18.6	-55.91
<b>TOTAL INCOME</b>	<b>1890.35</b>	<b>4910.39</b>	-61.50	5293.19	4791.74	10.46
<b>EXPENDITURE</b>						
Purchase of Stock-in-trade	1892.98	4291.28	-55.89	4291.28	10923.55	-60.72
Change in inventories of finished goods, work-in-progress and stock-in-trade	-494.55	27.73	-1883.45	27.73	-6922	-100.40
Employees benefit expenses	110.16	99.22	11.03	106.59	93.01	14.60
Finance Cost	47.94	47.22	1.52	309.8	63.04	391.43
Depreciation & Amortization expenses	100.5	92.55	8.59	210.25	103.14	103.85
other expenses	128.52	174.77	-26.46	220.46	323.72	-31.90
<b>TOTAL EXPENDITURE</b>	<b>1785.55</b>	<b>4732.77</b>	-62.27	5166.11	<b>4584.46</b>	12.69
Profit before Tax	104.81	177.62	-40.99	127.08	207.27	-38.69
Provision for Tax	-15.65	27.2	-157.54	27.2	38.81	-29.91
<b>Profit after Tax</b>	<b>120.46</b>	<b>150.42</b>	-19.92	99.88	168.46	-40.71



## Comparison of Fiscal 2017 to Fiscal 2016

### Total Income

Total Income decreased by 61.50% in FY 2017, Rs. 1890.35 Lacs from Rs. 4910.39 Lacs over the same period in the previous year. Due to decrease in turnover in view of slowdown in business, total income decreased in the current financial year.

### Total Expenditure

Total Expenses during FY 2017 decreased by 62.27% from Rs.1785.55 Lacs from Rs. 4732.77 Lacs over the same period in the previous year. Due to decrease in business activity during the current year, total expenses decreased.

### Total Sales

Total Sales during FY 2017 decreased by 63.86%, Rs. 1771.75 Lacs from Rs. 4902.17 Lacs over the same period in the previous year. During last two years, in Maharashtra and Rajasthan there is no Power Purchase policy in place and hence there is decrease in turnover of the Company.

### Sale of Infrastructure products

Sales of infrastructure products decreased by 48.70%, Rs. 1410.36 Lacs from Rs.2749.21 Lacs over the same period in the previous year. As from last two years, in Maharashtra and Rajasthan there was no Power Purchase policy in place and hence there is decrease in sale of infrastructure products of the Company.

### Sale of Services

Sales of services decreased by 43.42%, Rs. 126.49 Lacs from Rs.223.57 Lacs over the same period in the previous year. As Sale of services is also related to wind energy. Due to no Power Purchase policy, there is decrease in sale of services.

### Sale of Engineering Division

Sales of Engineering Division decreased by 41.15%, Rs.134.33 Lacs from Rs.228.27 Lacs over the same period in the previous year. As the Company has not received order from one of the prime customer resulting in decrease in Sale of Engineering Division.

### Other Operating Income

Other operating income decreased by 1.58%, Rs.100.57 Lacs from Rs. 102.18 Lacs over the same period in the previous year. There is no material decrease in the operating income as compared to previous year.

### Other income

Other income has increased from 1346.34%, Rs. 118.60 Lacs from Rs. 8.2 Lacs over the same period in the previous year. There is refund from the revenue department which was not expected earlier.

### Purchase of Stock-in-trade

Purchase of Stock-in-trade decreased by 55.89%, Rs.1892.98 Lacs from Rs.4291.28 Lacs over the same period in the previous year. As there was decrease in the business due to no policy existing in the state of Maharashtra and Rajasthan, purchase of stock has decreased in the current year

### Change in inventories of finished goods, work-in-progress and Stock in trade

Change in inventories of finished goods, work-in-progress and Stock in trade decreased by 1883.45%, Rs. (494.55) Lacs from Rs.27.33 Lacs over the same period in the previous year. The company did not purchase/produce/develop any new site during the current period due to lack of policy.

### Employees Benefit Expenses

Employees Benefit expenses increased by 11.03%, Rs.110.16 Lacs from Rs.99.22 Lacs over the same period in the previous year. As there is general increase due to inflation and increment.

### Finance Cost

Finance Cost increased by 1.52%, Rs.47.94 Lacs from Rs.47.22 Lacs over the same period in the previous year. There is no material change in the Finance Cost.

### **Depreciation and Amortization Expenses**

Depreciation and Amortisation expenses increased by 8.59%, Rs.100.5 Lacs from Rs.92.55 Lacs over the same period in the previous year. During the year, Company has Purchase fixed assets, hence increase in depreciation.

### **Other Expenses**

Other Expenses decreased by 26.46%, Rs.128.52 Lacs from Rs. 174.77 Lacs over the same period in the previous year. Due to decrease in business activity during the current year, other variable expenses also decreased.

### **Profits before Tax**

Profits before tax decreased by 40.99%, Rs.104.81 Lacs from Rs. 177.62 Lacs over the same period in the previous year. Due to decrease in turnover, profit has gone down.

### **Profits after Tax**

Profits after tax decreased by 19.92%, Rs.120.46 Lacs from Rs. 150.42 Lacs over the same period in the previous year. Due to decrease in turnover, profit has gone down.

## **Comparison of Fiscal 2016 to Fiscal 2015**

### **Total Income**

Total Income decreased by 10.46% in FY 2016, Rs. 5283.19 Lacs from Rs. 4791.74 Lacs over the same period in the previous year.

### **Total Expenditure**

Total Expenses during FY 2016 increased by 12.69%, Rs.5166.11 Lacs from Rs. 4584.46 Lacs over the same period in the previous year. Due to increase in business activity and increase in depreciation and finance cost during the current year, total expenses increased.

### **Total Sales**

Total Sales during FY 2016 increased by 11.62%, Rs. 5254.99 Lacs from Rs. 4773.14 Lacs over the same period in the previous year. The company has extended its services and has undertaken work of WTG yard fence with Pinth repair in various states, due to which there is increase in sales during the current period.

### **Sale of Infrastructure products**

Sales of infrastructure products decreased by 21.70%, Rs. 2749.21 Lacs from Rs. 3511.06 Lacs over the same period in the previous year. As During last year, in Maharashtra and Rajasthan there was no Power Purchase policy in place and hence there is decrease in turnover of the Company.

### **Sale of Services**

Sales of services increased by 35.52%, Rs. 223.57 Lacs from Rs. 164.97 Lacs over the same period in the previous year. Due to increase in new customers and Company's normal escalation charges, there is increase in sale of services in the current year.

### **Sale of Engineering Division**

Sales of Engineering Division increased by 38.78%, Rs. 228.27 Lacs from Rs.164.48 Lacs over the same period in the previous year. As the Company has received orders of Pharma Machinery and has developed new Company's Components resulting in increase in Sale of Engineering Division.

### **Sales from trading activities**

Sales from trading activities increased by 90.11%, Rs1598.96 Lacs from Rs. 841.09 Lacs over the same period in the previous year. Due to reduction in infrastructure activities, company has done additional trading activities and hence there is increase in sales of trading activities

### **Other Operating Income**

Other operating income increased by 11.62%, Rs.102.18 Lacs from Rs. 91.54 Lacs over the same period in the previous year. Due to increase in power generation, there is increase in operating income in the current year.

**Other income**

Other income has decreased from 55.91%, Rs. 8.20 Lacs from Rs. 18.60 Lacs over the same period in the previous year. As there was sale of current investment in the previous year and profit was considered under other income and hence there is decrease in other income in the current year.

**Purchase of Stock-in-trade**

Purchase of Stock-in-trade decreased by 60.72%, Rs.4291.28 Lacs from Rs.10923.55 Lacs over the same period in the previous year. As there was decrease in the business due to no policy existing in the state of Maharashtra and Rajasthan, purchase of stock has decreased in the current year.

**Change in inventories of finished goods, work-in-progress and Stock in trade**

Change in inventories of finished goods, work-in-progress and Stock in trade decreased by 100.40%, Rs. 27.73 Lacs from Rs. (6922) Lacs over the same period in the previous year. The company did not purchase/produce/develop any new site during the current period due to lack of policy.

**Employees Benefit Expenses**

Employees Benefit expenses increased by 14.60%, Rs.106.59 Lacs from Rs. 93.01 Lacs over the same period in the previous year. It is general increase due to inflation and increment.

**Finance Cost**

Finance Cost increased by 391.43%, Rs.309.80 Lacs from Rs.63.04 Lacs over the same period in the previous year. Term loan was taken by subsidiary company. Hence interest cost is higher in consolidated accounts for the current period.

**Depreciation and Amortization Expenses**

Depreciation and Amortisation expenses increased by 103.85%, Rs.210.25 Lacs from Rs.103.14 Lacs over the same period in the previous year. Depreciation on the assets of the subsidiary company was also considered in consolidated accounts, hence there is increase in depreciation.

**Other Expenses**

Other Expenses decreased by 31.90%, Rs.220.46 Lacs from Rs. 323.72 Lacs over the same period in the previous year. Due to decrease in business activity during the current year, other variable expenses also decreased.

**Profits before Tax**

Profits before tax decreased by 38.69%, Rs.127.08 Lacs from Rs. 207.27 Lacs over the same period in the previous year. Due to decrease in turnover, profit has gone down.

**Profits after Tax**

Profits after tax decreased by 40.71%, Rs.99.88 Lacs from Rs. 168.46 Lacs over the same period in the previous year. Due to decrease in turnover, profit has gone down.

## REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Labour Laws**

We are required to comply with certain labour and industrial laws, which includes the Factories Act, 1948, Industries (Development and Regulation) Act, 1951, Industrial Disputes Act, 1947, the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Wages Act, 1948, the Payment of Bonus Act, 1965, Employees Compensation Act, 1923, Contract Labour (Regulation and Abolition) Act, 1970 and the Maternity benefit Act.

#### ***The Factories Act, 1948***

The Factories Act, 1948, as amended (the "**Factories Act**") seeks to regulate the employment of workers in factories and makes provisions for the health, safety and welfare of the workers while at work in the factory including requiring adequate maintenance of plant, systems and other places of work, and provision of adequate training and supervision. The Factories Act defines a 'factory' to be any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power, or a premises where there are at least 20 workers who are engaged in a manufacturing process without the aid of power. Each State Government has set out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories.

#### ***The Employees' Provident Funds and Miscellaneous Provisions Act, 1952***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended (the "**EPF Act**") applies to factories employing 20 or more employees and such other establishments and industrial undertakings as notified by the GoI from time to time. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

#### ***The Industrial Disputes Act, 1947***

The Industrial Disputes Act, 1947, as amended provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the conciliation officer may settle such dispute or the appropriate government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

#### ***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948, as amended provides a framework for State Governments to stipulate the minimum wage applicable to a particular industry. The minimum wage may consist of a basic rate of wages and a special allowance, or a basic rate of wages and the cash value of concessions in respect of supplies of essential commodities, or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government.

#### ***The Payment of Wages Act, 1936***

The Payment of Wages Act, 1936, as amended (the "**Payment of Wages Act**") is applicable to factories and industrial or other establishments where the monthly wages payable are less than Rs. 6,500. The Payment of Wages Act inter alia seeks to regulate the payment of wages in terms of the duration of employment (work hours, overtime wages, and holidays), quantum of wages including overtime wages, deductions from wages, of certain classes of employed persons. The Payment of Wages Act also regulates minimum wages to be fixed by the appropriate governments for the employees, bonus entitlements, disbursements of wages by the employers within the stipulated time frame without unauthorized deductions, etc.



### ***The Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965, as amended provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due. The minimum bonus to be paid to each employee is the higher of 8.33% of the annual salary or wage or Rs. 100, whichever is higher.

### ***The Employee's Compensation Act, 1923***

The Employee's Compensation Act, 1923, as amended provides that if personal injury is caused to a workman by accident during employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid if the injury did not disable the workman for more than three days or the workman was at the time of injury under the influence of drugs or alcohol, or the workman willfully disobeyed safety rules. Where death results from the injury, the workman is liable to be paid the higher of 50% of the monthly wages multiplied by the prescribed relevant factor (which bears an inverse ratio to the age of the affected workman) or Rs. 50,000. Where permanent total disablement results from injury, the workman is to be paid the higher of 60% of the monthly wages multiplied by the prescribed relevant factor or Rs. 60,000. The maximum wage which is considered for the purposes of reckoning the compensation is Rs. 4,000.

### ***The Contract Labour (Regulation and Abolition) Act, 1970***

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA Act**") requires companies employing 20 or more contract labourers to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. Under the CLRA Act, both the principal employer and the contractor are to be registered with the registering officer. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

### ***The Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended (the "**Maternity Benefit Act**") provides that a woman who has worked for at least 80 days in the 12 months preceding her expected date of delivery, is eligible for maternity benefits. Under the Maternity Benefit Act, a woman working in a factory may take leave for six weeks immediately preceding her scheduled date of delivery and for this period of absence she must be paid maternity benefit at the rate of the average daily wage. The maximum period during which a woman shall be paid maternity benefit is 12 weeks. Women entitled to maternity benefit are also entitled to a medical bonus of Rupees 2,500, if no prenatal and post-natal care has been provided free of charge by the employer.

### ***The Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the "**IDR Act**") Act provides for the development and regulation of specified industrial undertakings. The IDR Act has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector.

## **Environmental Laws**

### ***The Environment (Protection) Act, 1986***

The Environment (Protection) Act, 1986 (the "**EPA**") is an umbrella legislation designed to provide a framework for the Government to co-ordinate the activities of various central and state authorities established under other laws, such as the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") and the Air (Prevention and Control of Pollution) Act, 1981 (the "**Air Act**"). The EPA vests the Government with various powers including the power to formulate rules prescribing standards for emission of discharge of environment pollutants from various sources, as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, and examination of processes and materials likely to cause pollution.

### ***The Water Act***

The Water Act requires a person to obtain the consent of the relevant central or state pollution control board, which is empowered to establish standards and conditions for establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage.

### ***The Air Act***

The Air Act requires any person establishing or operating any industrial plant within an air pollution control area to obtain the prior consent of the relevant central or state pollution control board. Further, no person operating any industrial plant in any air pollution control area is permitted to discharge any air pollutant in excess of emission standards prescribed by the relevant pollution control board.

### ***The Hazardous Wastes (Management Handling and Trans boundary Movement) Rules, 2008***

The Hazardous Wastes (Management Handling and Trans boundary Movement) Rules, 2008 require every occupier and operator of a facility generating hazardous waste to obtain prior approval from the relevant central or state pollution control board. The occupier, the transporter and the operator are liable for damage to the environment resulting from improper handling and disposal of hazardous waste. The operator and the occupier are liable for any fine that may be levied by the relevant pollution control board.

### ***The Public Liability Insurance Act, 1991***

The Public Liability Insurance Act, 1991 (the “**PLI Act**”) imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of ‘hazardous substances’ covered by the legislation has been notified under the PLI Act. The owner or handler is also required to take out an insurance policy insuring against liability under the PLI Act.

## **Taxation Laws**

### ***The Central Sales Tax Act, 1956***

The Central Sales Tax Act, 1956 (“**Central Sales Tax Act**”), as amended, formulates principles for determining (a) when a sale or purchase takes place in the course of inter-state trade or commerce; (b) when a sale or purchase takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. The Central Sales Tax Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-state trade or commerce and specifies the restrictions and conditions to which state laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. Central sales tax is levied on interstate sale of goods. Sale is considered to be inter-state when (a) sale occasions movement of goods from one state to another or (b) is effected by transfer of documents during their movement from one state to another. Central sales tax is payable in the state from which movement of goods commences (that is, from which goods are sold). The tax collected is retained by the state in which it is collected. The Central Sales Tax Act is administered by sales tax authorities of each State. The liability to pay tax is on the dealer, who may or may not collect it from the buyer.

Value Added Tax (“**VAT**”) is a tax on the final consumption of goods or services and is ultimately borne by the consumer. The term ‘value addition’ implies the increase in value of goods and services at each stage of production or transfer of goods and services. It is a multi-stage tax with the provision to allow input tax credit on tax at an earlier stage, which can be appropriated against the VAT liability on subsequent sale. This input tax credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. The VAT liability of the dealer/manufacturer is calculated by deducting input tax credit from tax collected on sales during the payment period. If the tax credit exceeds the tax payable on sales in a month, the excess credit will be carried over to the end of next fiscal year. If there is any excess unadjusted input tax credit at the end of second year, then the same will be eligible for refund. VAT is basically a state subject, derived from Entry 54 of the State List, for which the states are sovereign in taking decisions.

## **Fiscal Regulations**

### ***Foreign Trade (Development and Regulation) Act, 1992***

The Foreign Trade (Development and Regulation) Act, 1992 (“**FTA**”) seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy, 2015-20 provides that a person or company can make no exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the Office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

## Intellectual Property Laws

### *The Trade Marks Act, 1999*

The Trade Marks Act, 1999 which came into force on December 30, 1999 governs the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colors or combination thereof. In India, trademarks enjoy protection under both statutory and common law. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks can also be registered under the Trademark Act.

### *The Patents Act, 1970*

The Patents Act, 1970 governs the patent regime in India. India is a signatory to the trade related agreement on Intellectual Property Rights; India recognizes both product as well as process patents. The new regime provides for:

- Patent protection period of 20 years;
- Patent protections allowed on imported products; and

Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer. An application for a patent can be filed in any of the 4 patent offices in India.

## Others

### *Shops and Establishments legislations in various states*

The provisions of various Shops and Establishments legislations, as applicable in the states in which establishments are set up, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

### *Foreign Investment Regulations*

Foreign investment in Indian securities is governed by the provisions of the FEMA read with the applicable FEMA Regulations and the extant consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the current consolidated FDI Policy, effective from May 12, 2015, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government (the “**Consolidated FDI Policy**”), which consolidates the policy framework on FDI, up to 100% FDI through the automatic route is permitted in sectors and activities not specifically restricted under the Consolidated FDI Policy. Therefore, our business is not subject to sectoral investment limits enumerated under the Consolidated FDI Policy.

### *Sale of Goods Act, 1930*

The Sale of Goods Act, 1930 (“**Sale of Goods Act**”) governs the contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. The Sale of Goods Act is complimentary to the Indian Contract Act, 1872, and the un-repealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of the Sale of Goods Act, continue to apply to contracts for the sale of goods. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

## SECURITIES MARKET IN INDIA

*The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from the SEBI, the Stock Exchanges, and has not been prepared or independently verified by us, the Book Running Lead Manager, or any of our respective affiliates or advisers.*

### The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. The Stock Exchanges together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalization and trading activity.

### Stock Exchange Regulation

Indian stock exchanges are regulated primarily by the SEBI, as well as by the Central Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA, SCRR, SEBI Act, the Depositories Act, the Companies Act, and various other rules and regulations framed thereunder. On June 20, 2012, the SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (the “SCR (SECC) Rules”), which regulate, *inter alia*, the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalization requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, byelaws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner in which contracts are entered into and enforced between members.

The SEBI Act, under which the SEBI was established by the Central Government, granted powers to the SEBI to promote, develop and regulate the Indian securities markets, including stock exchanges and other financial intermediaries in the capital markets, to protect the interests of investors, to promote and monitor self-regulatory organizations, to prohibit fraudulent and unfair trade practices and insider trading and to regulate substantial acquisitions of shares and takeovers of companies. The SEBI has also issued regulations concerning disclosure requirements by listed and to-be listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisition of shares and takeovers of companies, buyback of securities, delisting of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, Mutual Funds, FIIs, FPIs, credit rating agencies and other capital market participants.

### Listing

The listing of securities on stock exchanges in India is regulated by the applicable Indian laws including the ICDR Regulations, Companies Act, the SCRA, the SCRR, the Listing Regulations, the SEBI Act and various guidelines and regulations issued by the SEBI. Under the SCRA and the SCRR, the governing body of each stock exchange is empowered to suspend or withdraw admission to trading of or dealing in a listed security for breach by a listed company of any of the conditions of admission to dealings or for any other reason, subject to such company receiving prior notice of such intent of the stock exchange and upon granting of a hearing in the matter. The SEBI has the power to vary or veto the decision of the stock exchange in this regard. The SEBI also has the power to amend the byelaws of the stock exchanges.

### Disclosures under the Companies Act, 2013 and Listing Regulations

Public listed companies are required under the Companies Act, 2013 and the Listing Regulations to prepare, file with the registrar of companies and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance under the Companies Act, 2013, related party transactions and management’s discussion and analysis as required under Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the Listing Regulations.

### Delisting of Securities

The SEBI has, pursuant to a notification dated June 10, 2009, notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, in relation to the voluntary and compulsory delisting of securities from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### Minimum Level of Public Shareholding

Pursuant to an amendment of the SCRR, all listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. We are in compliance with the minimum public shareholding requirement. Where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of twelve months from the date of such fall in the manner specified by the SEBI.



### **Index-Based Market-Wide Circuit Breaker System**

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers, which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of the SENSEX of the BSE. In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices.

### **BSE**

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

### **Internet-Based Securities Trading and Services**

The SEBI approved internet trading in January 2000. Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and to comply with certain minimum conditions stipulated by the SEBI and other applicable laws.

### **Trading Hours**

Trading on the Stock Exchange normally occurs Monday through Friday, between 9:15 a.m. and 3:30 p.m. Indian Standard Time. The Stock Exchange is closed on public holidays. Recently, the stock exchanges have been permitted to set their own trading hours (in cash and derivative segments) subject to the condition that (i) the trading hours are between 9 a.m. and 5 p.m.; and (ii) the stock exchange has in place risk management system and infrastructure commensurate to the trading hours.

### **Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (BOLT) facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothing settlement cycles and improving efficiency in back-office work.

### **Takeover Regulations**

Disclosure and mandatory open offer obligations for listed Indian companies under Indian law are governed by the Takeover Regulations i.e. SEBI (SAST) Regulations, 2011, which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to acquisitions of the company's shares/voting rights/control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company.

The Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. Since, our Company is an Indian listed company, the provisions of the Takeover Regulations apply to our Company.

### **Insider Trading Regulations**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (the "**Insider Trading Regulations**") have been notified by SEBI to prohibit and penalize insider trading in India. An "insider" is defined to include any person who has received or has access to unpublished price sensitive information ("**UPSI**") or a "Connected Person". A "Connected Person" includes, *inter alia*, any person who is or has directly or indirectly, been associated with the company in any capacity whether contractual, fiduciary or employment or has any professional or business relationship with the company whether permanent or temporary, during the six months prior to the concerned act which would allow or reasonably expect to allow access, directly or indirectly, to UPSI.

An insider is, *inter alia*, prohibited from trading in securities of a listed or proposed to be listed company when in possession of UPSI and to provide access to any person including other insiders to the above referred UPSI except where such communication is for legitimate purposes, performance of duties or discharge of legal obligations. UPSI shall include any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the Insider Trading Regulations.

### **Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, the SEBI framed regulations in relation to, *inter alia*, the formation and registration of such Depositories, the registration of Depository Participants as well as the rights and obligations of the Depository Participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

### **Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivative contracts were included within the term 'securities', as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange.

## LEGAL PROCEEDINGS

*We are, from time to time, involved in various legal proceedings in the ordinary course of business, which involve matters pertaining to, amongst others, tax, regulatory and other disputes. As on date of this Preliminary Placement Document, except as disclosed hereunder, we are not involved in any material governmental, legal or arbitration proceedings or litigation and we are not aware of any pending or threatened material governmental, legal or arbitration proceedings or litigation relating to them which may have a material effect on our financial condition, the results of operations or cash flows.*

### Material Proceedings involving our Company

Sr. No.	Particulars of the Case	Forum where dispute is pending
1	A case filed by Babuba Velbha Rathod and others against in Taluka Court, Bhachau, Civil suit No.72 of 2010 for cancellation of Sale deed, Power of Attorney and Possession of the property purchased by company situated at shivlakha village Survey No. 506/P-3 Acre	Taluka Court, Bhachau, Gujarat
2	A Public Interest Litigation filed by Lion Nature Foundation under Article 226 of the Constitution of India, which is in the interest of Public Interest Litigation for the construction of large sized wind mills in the most crucial lion habitat near Reserve Forest at Talaja Range stating that construction of wind mills would be detrimental to the existence of the lions and other wildlife in the crucial corridors of the last surviving Asiatic Lions in the world.	High Court of Gujrat

### Material Frauds

No material frauds have been committed against our Company during the last three years.

### Defaults in respect of dues payable

Our Company has been fairly regular in depositing undisputed dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues, to the extent applicable to the Company and there are no material statutory dues outstanding and due for remittance to the statutory authorities as on March 31, 2017. Our Company has not defaulted in any deposits accepted and payment of interest or principal on any loan from any bank or financial institution and has not issued any debentures

### Litigation or Legal Action against the Promoters by any Ministry, Government Department or Statutory Authority

There is no, and has been no, litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against any Promoter during the last three years immediately preceding the year of this Preliminary Placement Document. Accordingly, no directions have been issued by any ministry or department or statutory authority upon conclusion of any litigation or legal action against the Promoters.

### Reservations, Qualifications or Adverse Remarks by the Auditors

The audit reports of the last five financial years immediately preceding the year of circulation of this Preliminary Placement Document do not contain any reservations, qualifications or adverse remarks.

### Inquiries, Inspections or Investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous company law in the three years immediately preceding the year of circulation of this Preliminary Placement Document in the case of the Company and its Subsidiaries. Further, there were no prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document.

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment. The procedure followed in the Issue may differ from the one mentioned below, and investors are presumed to have apprised themselves of the same from our Company or the Book Running Lead Manager. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections titled “Selling Restrictions” and “Transfer Restrictions”.*

### Qualified Institutions Placement

The Issue is being made to QIBs in reliance upon Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, and Chapter VIII of the ICDR Regulations, through the mechanism of a QIP. Under Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013, a company may Issue equity shares to QIBs subject to certain conditions including:

- the Issuer has completed all allotments with respect to any offer or invitation previously made by it or has withdrawn or abandoned any invitation or offer previously made by it;
- the Issuer is in compliance with the minimum public shareholding requirements set out in the SCRR;
- equity shares of the same class of such Issuer, which are proposed to be allotted through the QIP, are listed on a stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the below-mentioned special resolution;
- the shareholders of the Issuer have passed a special resolution approving such QIP. Such special resolution must specify (a) that the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the QIB to whom the offer is made and is sent within 30 days of recording the names of such QIBs;
- the offer must not be to more than 200 persons in a financial year. However, an offer to QIBs will not be subject to this limit of 200 persons. Prior to circulating the private placement offer letter, the Issuer must prepare and record a list of QIBs to whom the offer will be made. The offer must be made only to such persons whose names are recorded by the Issuer prior to the invitation to subscribe;
- Issuer must offer to each Allottee at least such number of the securities in the Issue which would aggregate to Rs. 20,000, calculated at the face value of the securities;
- the aggregate of the proposed Issue and all previous QIPs made by the Issuer in the same financial year does not exceed five times the net worth (as defined in the ICDR Regulations) of the Issuer as per the audited balance sheet of the previous financial year; and
- the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the Equity Shares issued to QIBs must be Allotted to Mutual Funds, provided that, if this portion or any part thereof to be Allotted to Mutual Funds remains unsubscribed, it may be Allotted to other QIBs.

Bidders are not allowed to withdraw their Bids after the Bid/Issue Closing Date.

Additionally, there is a minimum pricing requirement under the ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the related Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of up to 5% of the Floor Price is permitted in accordance with the provisions of the ICDR Regulations.

The “Relevant Date” referred to above, for the Allotment, will be the date of the meeting in which the Board or the committee of Directors duly authorized by the Board decides to open the Issue and “Stock Exchange” means the stock exchange in India on which the Equity Shares of our Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Our Company will apply for the in-principle approval of the Stock Exchange under Regulation 28(1) of the Listing Regulations for the listing of the Equity Shares on the Stock Exchange. Our Company will also deliver a copy of the Preliminary Placement Document to the Stock Exchange.

Our Company shall make the requisite filings with the ROC and the SEBI within the stipulated period as required under the Companies Act and the PAS Rules.



The Issue was authorized and approved by the Board on 27<sup>th</sup> May, 2016, and approved by the Shareholders by way of their special resolution dated 04<sup>th</sup> July, 2016.

The Equity Shares will be allotted within 12 months from the date of the Shareholders' resolution approving the Issue and within 60 days from the date of receipt of subscription money from the relevant QIBs.

The Equity Shares issued pursuant to the Issue must be issued on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule XVIII of the ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document are private documents provided to only select QIBs through serially numbered copies and are required to be placed on the website of the Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to QIBs and no offer is being made to the public or to any other category of investors.

The minimum number of Allottees for the Issue shall not be less than:

- Two, where the issue size is less than or equal to Rs. 250 crores; and
- Five, where the issue size greater than Rs. 250 crores.

No single Allottee shall be allotted more than 50% of the Issue Size. QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee. See the section titled "*Issue Procedure - Application Process - Application Form*".

Securities allotted to a QIB pursuant to the Issue shall not be sold for a period of one year from the date of allotment except on the floor of a recognized stock exchange in India. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

**THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED, LISTED OR OTHERWISE QUALIFIED IN ANY OTHER JURISDICTION OUTSIDE INDIA AND MAY NOT BE OFFERED OR SOLD, AND BIDS MAY NOT BE MADE BY PERSONS IN ANY SUCH JURISDICTION, EXCEPT IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTION.**

#### Issue Procedure

1. Our Company and the Lead Manager shall circulate serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to the QIBs and the Application Form will be specifically addressed to such QIBs. In terms of Section 42 (7) of the Companies Act, 2013 our Company shall maintain complete records of the QIBs to whom the Preliminary Placement Document, and Placement Document and the serially numbered application Form have been dispatched. Our Company shall make the requisite filings with the RoC and SEBI within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.
2. **UNLESS A SERIALY NUMBERED PRELIMINARY PLACEMENT DOCUMENT ALONG WITH THE SERIALY NUMBERED APPLICATION FORM IS ADDRESSED TO A PARTICULAR QIB, NO INVITATION TO SUBSCRIBE SHALL BE DEEMED TO HAVE BEEN MADE TO SUCH QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. Bidders shall submit Bids for, and our Company shall Issue and Allot to each Allottee at least such number of Equity Shares which would aggregate to Rs. 20,000 calculated at the face value of the Equity Shares.
4. QIBs may submit an Application Form, during the Bid/Issue Period to the Book Running Lead Manager.
5. QIBs will be required to indicate the following in the Application Form:
  - name of the QIB to whom Equity Shares are to be Allotted;
  - number of Equity Shares Bid for;
  - price at which they are agreeable to subscribe for the Equity Shares, provided that QIBs may also indicate that they are agreeable to submit a Bid at the Cut-Off Price which shall be any price as may be determined by our Company in consultation with the Book Running Lead Manager at or above the Floor Price or the Floor Price net of such discount as approved in accordance with ICDR Regulations.
  - details of the Depository Participant account to which the Equity Shares should be credited; and

**NOTE:** Each sub-account of an FII other than a sub-account which is a foreign corporate or a foreign individual will be considered an individual QIB and separate Application Forms would be required from each such sub-account for submitting Bids.

6. Once a duly completed Application Form is submitted by a Bidder, such Application Form constitutes an irrevocable offer and cannot be withdrawn after the Bid/Issue Closing Date. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the Bidders shall be deemed to have been given notice of such date after receipt of the Application Form.

The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with the SEBI.

7. Upon receipt of the Application Form, after the Bid/Issue Closing Date, our Company shall determine the final terms, including the Issue Price in consultation with the Lead Manager. Upon determination of the final terms of the Equity Shares, the Lead Manager will send the serially numbered CAN along with the Preliminary Placement Document to the Bidders who have been Allocated the Equity Shares. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares Allocated to such Bidder. The CAN shall contain details such as the number of Equity Shares Allocated to the Bidder and payment instructions including the details of the amounts payable by the Bidder for Allotment of the Equity Shares in its name and the Pay-in Date as applicable to the respective Bidder. **PLEASE NOTE THAT THE ALLOCATION WILL BE AT THE**

**ABSOLUTE DISCRETION OF OUR COMPANY AND WILL BE BASED ON THE RECOMMENDATION OF THE LEAD MANAGER.**

8. Pursuant to receiving a CAN, each Bidder shall be required to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price, only through electronic transfer to our Company's designated bank account by the Pay-In Date as specified in the CAN sent to the respective Bidders. No payment shall be made by Bidders in cash. Please note that any payment of application money for the Equity Shares shall be made from the bank accounts of the relevant Bidders applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application. Pending Allotment, all monies received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilized only for the purposes permitted under the Companies Act, 2013, i.e., the Escrow Account. See the section titled "*Issue Procedure - Bank Account for Payment of Application Money*".
9. Upon receipt of the application monies from the Bidders, our Company shall Allot Equity Shares as per the details in the CAN sent to the Bidders.
10. After passing the Board resolution for Allotment and prior to crediting the Equity Shares into the beneficiary accounts maintained with the Depository Participants by the Allottees, our Company shall apply to the Stock Exchange for listing approval. Our Company will intimate the Stock Exchange the details of the Allotment and apply for the approval for listing of the Equity Shares on the Stock Exchange prior to the crediting of the Equity Shares into the beneficiary account maintained with the Depository Participant by the Bidder.
11. After receipt of the listing approval of the Stock Exchange, our Company shall credit the Equity Shares Allotted pursuant to the Issue into the Depository Participant's accounts of the respective Allottees.
12. Our Company will then apply for the final trading approval from the Stock Exchange.
13. The Equity Shares that would have been credited to the beneficiary accounts with the Depository Participants of the Allottees shall be eligible for trading on the Stock Exchange only upon the receipt of final listing and trading approval from the Stock Exchange.
14. Upon receipt of intimation of final trading and listing approval from the Stock Exchange, our Company shall inform the Allottees of the receipt of such approvals. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchange or any loss arising from such delay or non- receipt. Final listing and trading approval granted by the Stock Exchange is also placed on its website. QIBs are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchange or our Company.

## Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the ICDR Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the ICDR Regulations are eligible to invest. Only the following categories of QIBs are eligible to invest in the Issue:

- Eligible FPIs including FIIs and eligible sub-accounts;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Government; and
- insurance funds set up and managed by the Department of Posts, India.
- Mutual Funds, VCFs and AIFs;
- pension fund with minimum corpus of Rs. 25 crores;
- provident fund with minimum corpus of Rs. 25 crores;
- public financial institutions as defined in Section 4A of the Companies Act, 1956 (Section 2(72) of the Companies Act, 2013);
- scheduled commercial banks;
- state industrial development corporations; and
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India.

**Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

**ELIGIBLE NON-RESIDENT QIBS CAN PARTICIPATE IN THE ISSUE UNDER SCHEDULE 1 OF FEMA REGULATIONS. FIIS, SUB-ACCOUNTS (OTHER THAN A SUB-ACCOUNT WHICH IS A FOREIGN CORPORATE OR A FOREIGN INDIVIDUAL) AND OTHER ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER THE RESPECTIVE SCHEDULES OF FEMA REGULATIONS, IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD.**

In terms of the FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) should not exceed 10% of post-Issue Equity Share capital of the company. Further, in terms of the FEMA Regulations, the total holding of each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all Eligible FPIs put together shall not exceed 24% of the paid-up Equity Share capital of the company. The aggregate limit of 24% may be increased by way of a resolution passed by the board of directors of the company, followed by a special resolution passed by its shareholders.

An FII or sub-account (other than a sub-account which is a foreign corporate or foreign individual) who holds a valid certificate of registration from the SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees has been paid as per the FII Regulations. An FII or a sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue, until expiry of its registration as an FII or sub-account or until it obtains a certificate of registration as an FPI, whichever is earlier. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees as applicable under the FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII or sub-account after registering as an FPI under the FPI Regulations.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Under Regulation 86(1)(b) of the ICDR Regulations, no Allotment shall be made, either directly or indirectly, to any QIB being, or any person related to, the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the 'promoters' as defined in the ICDR Regulations:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or persons related to the Promoters;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the "promoters".

**OUR COMPANY AND THE LEAD MANAGER ARE NOT LIABLE FOR ANY AMENDMENT OR MODIFICATION OR CHANGE TO APPLICABLE LAWS OR REGULATIONS, WHICH MAY OCCUR AFTER THE DATE OF THIS PRELIMINARY PLACEMENT DOCUMENT. QIBS ARE ADVISED TO MAKE THEIR INDEPENDENT INVESTIGATIONS AND SATISFY THEMSELVES THAT THEY ARE ELIGIBLE TO APPLY. QIBS ARE ADVISED TO ENSURE THAT ANY SINGLE APPLICATION FROM THEM DOES NOT EXCEED THE INVESTMENT LIMITS OR MAXIMUM NUMBER OF EQUITY SHARES THAT CAN BE HELD BY THEM UNDER APPLICABLE LAW OR REGULATION OR AS SPECIFIED IN THIS PLACEMENT DOCUMENT. FURTHER, QIBS ARE REQUIRED TO SATISFY THEMSELVES THAT THEIR BIDS WOULD NOT EVENTUALLY RESULT IN TRIGGERING A TENDER OFFER UNDER THE TAKEOVER REGULATIONS.**

*Note: Affiliates or associates of Book Running Lead Manager who are QIBs may participate in the Issue in compliance with applicable laws.*

**Application Process**

**Application Form**

Bidders shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Form(s) and pursuant to the terms of the Preliminary Placement Document, the Bidder will be deemed to have made the following representations and warranties and the representations, warranties and agreements made under sections titled “Notice to Investors”, “Representations by Investors”, “Selling Restrictions” and “Transfer Restrictions”:

- The Bidder confirms that it is a QIB in terms of Regulation 2(1)(zd) of the ICDR Regulations and is not excluded under Regulation 86 of the ICDR Regulations, has a valid and existing registration under the applicable laws in India and is eligible to participate in the Issue;
- The Bidder confirms that it is not a “promoter” and is not a person related to the “promoters”, either directly or indirectly, and its Application Form does not directly or indirectly represent the “promoters” or “promoter group” or persons related to the “promoters” as defined in the ICDR Regulations;
- The Bidder confirms that it has no rights under a shareholders’ agreement or voting agreement with the “promoters” or persons related to the “promoters”, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the “promoters” as defined in the ICDR Regulations;
- The Bidder acknowledges that it has no right to withdraw its Bid after the Bid/Issue Closing Date;
- The Bidder confirms that if Equity Shares are allotted, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchange;
- The Bidder confirms that it is eligible to Bid and hold Equity Shares so Allotted. The Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;
- The Bidder confirms that its Bids would not eventually result in triggering a tender offer under the Takeover Regulations;
- The Bidder confirms that together with other Bidders that belong to the same group or are under the same control, the Allotment to the Bidder shall not exceed 50% of the Issue Size. For the purposes of this statement:
  - a. the expression “belongs to the same group” shall derive meaning from the concept of “companies under the same group” as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and
  - b. “Control” shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;
- The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing; and

**EACH BIDDER MUST PROVIDE ITS DEPOSITORY PARTICIPANT ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, E-MAIL ID AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM.**

**EACH BIDDER MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY PARTICIPANT ACCOUNT IS HELD. FOR THIS PURPOSE, ELIGIBLE SUB ACCOUNTS OF AN FII WOULD BE CONSIDERED AS AN INDEPENDENT BIDDER.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, A QIB MAY ALSO BE REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) ALONG WITH THE APPLICATION FORM TO THE LEAD MANAGER TO EVIDENCE THEIR STATUS AS A “QIB” AS DEFINED HEREIN.**



**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, COLLECTION BANK(S) OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE QIB SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for the Bidder to pay the entire Issue Price for the Equity Shares (as indicated by the CAN) and becomes a binding contract on the Bidder upon the issuance of the CAN by our Company in favor of the Bidder.

#### ***Submission of Application Form***

All Application Forms must be duly completed with information including the number of Equity Shares applied for. All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Book Running Lead Manager as per the details provided in the respective CAN. The Application Form shall be submitted to the Lead Manager either through electronic form or through physical delivery at the following address:

<b>Name</b>	<b>Address</b>	<b>Contact person</b>	<b>Email</b>	<b>Phone No.</b>
D & A Financial Services (P) Limited	13,Community Centre, East of Kailash New Delhi-110065 And 304, 3 <sup>rd</sup> Floor, Dalamal Tower, Free Press Journal Marg, Nariman Point, Mumbai-400021	Ms. Radhika Pushkarna And Mr. Balakrishnan Iyer	<a href="mailto:investors@dnafinserv.com">investors@dnafinserv.com</a> And <a href="mailto:balakrishnan.iyer@dnafinserv.com">balakrishnan.iyer@dnafinserv.com</a>	+91-1126419079 +91-26218274 And +91-22-67478992/4 +91-22-32677738

The Book Running Lead Manager shall not be required to provide any written acknowledgement of the same.

#### ***Permanent Account Number or PAN***

Each Bidder should mention its PAN allotted under the IT Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the general index register number instead of the PAN as the Application Forms are liable to be rejected on this ground.

#### ***Pricing and Allocation***

##### ***Build-up of the Book***

Bidders shall submit their Bids within the Bid/Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn after the Bid/Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

#### ***Price Discovery and Allocation***

Our Company, in consultation with the Book Running Lead Manager, shall determine the Issue Price, which cannot be lower than the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price, in accordance with Chapter VIII of the ICDR Regulations.

After finalization of the Issue Price, our Company will update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchange as the Placement Document.

#### ***Method of Allocation***

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VIII of the ICDR Regulations. Bids received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND BIDDERS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON- ALLOCATION.**

#### **CAN**

Based on the Application Forms received, our Company, in consultation with the Book Running Lead Manager, in its sole and absolute discretion, shall decide the Bidders to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment in their respective names shall be notified to such Bidders. Additionally, a CAN will include details of the Escrow Account into which such payments would need to be made, address where the application money needs to be sent, Pay-in Date as well as the probable designated date, being the date of credit of the Equity Shares to the respective Bidder's account. The successful Bidders would also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the serially numbered CAN to the successful Bidders shall be deemed a valid, binding and irrevocable contract for the successful Bidders to furnish all details that may be required by the Book Running Lead Manager and to pay the entire Issue Price for all the Equity Shares Allocated to such successful Bidders.

**QIBS ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOTTED TO THEM.**

#### **Bank Account for Payment of Application Money**

Our Company has opened the “**Veer Energy & Infrastructure Limited – QIP Escrow Account**” with Axis Bank Limited in terms of the arrangement among our Company and Book Running Lead Manager and Axis Bank Limited as the Escrow Collection Bank. The successful Bidders will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-in Date as mentioned in, and in accordance with, the respective CAN. Payments are to be made only through electronic fund transfer.

**Note: Payments through cheques are liable to be rejected.**

If the payment is not made favoring the “**Veer Energy & Infrastructure Limited – QIP Escrow Account**” within the time stipulated in the CAN, the Application Form and the CAN of the successful Bidder are liable to be cancelled.

Our Company undertakes to utilize the amount deposited in “**Veer Energy & Infrastructure Limited – QIP Escrow Account**” only for the purposes of (i) adjustment against Allotment; or (ii) repayment of application money if our Company is not able to Allot.

In case of cancellations or default by the Bidders, our Company and the Book Running Lead Manager have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion.

#### ***Designated Date and Allotment of Equity Shares***

The Equity Shares will not be Allotted unless the successful Bidders pay the Issue Price to the “**Veer Energy & Infrastructure Limited – QIP Escrow Account**” as stated above.

The Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the QIBs' Depository Participant accounts, our Company will apply for final trading and listing approval from the Stock Exchanges.

In the case of a Bidder who has been Allotted more than five per cent of the Equity Shares in the Issue, our Company shall disclose the QIBs' name and the number of the Equity Shares Allotted to such QIB to the Stock Exchanges and the Stock Exchanges will make the same available on its website. Our Company shall make the requisite filings with the RoC and the SEBI within the stipulated period as required under the Companies Act and the PAS Rules. If you are Allotted any Equity Shares, our Company is required to disclose details such as your name, address and the number of Equity Shares Allotted to the RoC and the SEBI. The Escrow Collection Bank shall release the monies lying to the credit of the Escrow Account to our Company after receipt of final listing and trading approval for the Equity Shares from the Stock Exchanges.

In the event that our Company is unable to Issue and Allot the Equity Shares or there is a cancellation of the Issue within 60 days from the date of receipt of application money from a Bidder, our Company shall repay the application money within 15 days from expiry of the 60 day period, failing which our Company shall repay that money to such Bidders with interest at the rate of 12% per annum from expiry of the sixtieth day. The application money to be refunded by our Company shall be refunded to the same bank account from which application money was remitted by the Bidders.

#### **Other Instructions**

#### ***Right to Reject Applications***

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the Running Lead Manager in relation to the rejection of Bids shall be final and binding.

#### ***Equity Shares in Dematerialized form***

The Allotment shall be only in dematerialized form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode). A Bidder that proposes to make a Bid pursuant to the Issue must have at least one beneficiary account with a Depository Participant prior to making the Bid. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the successful Bidder.

Equity Shares in electronic form can be traded only on stock exchanges having electronic connectivity with the Depository Participants. The Stock Exchanges where the Equity Shares to be issued pursuant to the Issue are proposed to be listed have electronic connectivity with the National Securities Depository Limited and the Central Depository Services (India) Limited.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialized form only for all Bidders in the dematerialized segment of the Stock Exchanges. Our Company and Book Running Lead Manager will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidders.

## SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

### General

Except in India, no action has been taken or will be taken by the Company or the Book Running Lead Manager that would permit an offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Preliminary Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under the sections titled “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions*”.

### India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to QIBs and is not an offer to the public. This Issue is a “private placement” within the meaning of Section 42 of the Companies Act, 2013 since the invitation or offer is to be made only to QIBs. This Preliminary Placement Document is neither a public issue nor a prospectus under the Companies Act, 2013 or an advertisement and should not be circulated to any person other than to whom the offer is made. This Preliminary Placement Document has not been and will not be registered as a prospectus with the Registrar of Companies in India.

### European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is or was implemented in that Relevant Member State (the “**Relevant Implementation Date**”), the Equity Shares may not be offered or sold to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive (defined below) and the 2010 Amending Directive (defined below), except that the Equity Shares, with effect from and including the Relevant Implementation Date, may be offered to the public in that Relevant Member State at any time:

- (a) to persons or entities that are “qualified investors” as defined in the Prospectus Directive or, if that Relevant Member State has implemented the 2010 Amending Directive, as defined in the 2010 Amending Directive;
- (b) to (i) fewer than 100 natural or legal persons (other than “qualified investors” as defined in the Prospectus Directive); or (ii) if that Relevant Member State has implemented the 2010 Amending Directive, fewer than 150 natural or legal persons (other than “qualified investors” as defined in the 2010 Amending Directive), in each case subject to obtaining the prior consent of the Book Running Lead Manager; and
- (c) in any circumstances falling within Article 3(2) of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive, provided that no such offering of Equity Shares shall result in a requirement for the publication by our Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State and the expression “2010 Amending Directive” means Directive 2010/73/EU and includes any relevant implementing measure in each Member State.



Neither our Company nor the Book Running Lead Manager has authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary on their behalf, other than offers made by our Company or the Book Running Lead Manager.

### **Hong Kong**

The Preliminary Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Preliminary Placement Document has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“CO”) nor has it been authorized by the Securities and Futures Commission (“SFC”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“SFO”). Recipients are advised to exercise caution in relation to the Offer. If recipients are in any doubt about any of the contents of this Preliminary Placement Document, they should obtain independent professional advice. The Preliminary Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Preliminary Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“Professional Investors”); or
- in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Preliminary Placement Document may issue, circulate or distribute this Preliminary Placement Document in Hong Kong or make or give a copy of this Preliminary Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

### **Kuwait**

The Issue has not been approved by the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry, nor has our Company received authorisation or licensing from the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry to market or sell the Equity Interests within Kuwait. Therefore, no services relating to the Issue, including the receipt of applications and/or the allotment of Equity Shares may be rendered within Kuwait by our Company or persons representing our Company.

### **Oman**

This Preliminary Placement Document and the Equity Shares offered under it are issued and governed by the laws of India. No offer or marketing of the Equity Shares has been or will be made by our Company from within the Sultanate of Oman and no subscription for Equity Shares may or will be effected or undertaken within the Sultanate of Oman. Our Company does not have a presence or representation in the Sultanate of Oman and any purchase of the Equity Shares will be deemed to be made in and under the laws of India.

By receiving this Preliminary Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Preliminary Placement Document has not been registered or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other authority in the Sultanate of Oman, and neither our Company nor the Book Running Lead Manager are authorized or licensed by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other authority in the Sultanate of Oman, to market or sell the Equity Shares within the Sultanate of Oman.

The Equity Shares offered under this Placement Document have not and will not be listed on any stock exchange in the Sultanate of Oman.

### **Qatar**

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Preliminary Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorized or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither our Company nor the Book Running Lead Manager are authorized or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Neither our Company nor the Book Running Lead Manager are, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

### **Singapore**

The Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). Accordingly, the Equity Shares may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

The Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (“U.A.E.”) other than in compliance with the laws of the U.A.E. Prospective investors in the Dubai International Financial Centre should have regard to the specific notice to prospective investors in the Dubai International Financial Centre set out below. The information contained in this Preliminary Placement Document does not constitute a public offer of securities in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer. Our Company and the Equity Shares have not been approved or licensed by or registered with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the U.A.E. This Preliminary Placement Document has not been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority. This Preliminary Placement Document is being issued to a limited number of selected institutional and sophisticated investors, is not for general circulation in the U.A.E. and may not be provided to any person other than the original recipient or reproduced or used for any other purpose. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser. This Preliminary Placement Document is provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

#### **Dubai International Financial Centre**

This Preliminary Placement Document relates to an exempt offer (an “**Exempt Offer**”) in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the “**DFSA**”). This Preliminary Placement Document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser. For the avoidance of doubt, the Equity Shares are not interests in a “fund” or a “collective investment scheme” within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

#### **United Kingdom (in addition to the European Economic Area selling restrictions above)**

The Equity Shares offered in the Issue cannot be promoted in the United Kingdom to the general public. The contents of this Preliminary Placement Document have not been approved by an authorized person within the meaning of Financial Services and Markets Act 2000, as amended (the “**FSMA**”). The Book Running Lead Manager (a) may only communicate or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”), or (ii) fall within any of the categories of persons described in article 49(2)(a) to (d) of the Financial Promotion Order or otherwise in circumstances in which section 21(1) of the FSMA does not apply to our Company; and (b) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) in connection with, or relating to, the sale or purchase of any Equity Shares, may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply. It is the responsibility of all persons under whose control or into whose possession this document comes to inform themselves about and to ensure observance of all applicable provisions of FSMA in respect of anything done in relation to an investment in Equity Shares in, from or otherwise involving, the United Kingdom.

#### **United States of America**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws. The Equity Shares are not being offered or sold in the United States in the Issue. The Equity Shares are being offered and sold in the Issue only outside the United States in “offshore transactions” (as defined in Regulation S) in accordance with Regulation S. To help ensure that the offer and sale of the Equity Shares in the Issue was made in compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in the section titled “*Transfer Restrictions*”.

## TRANSFER RESTRICTIONS

Pursuant to Chapter VIII of the ICDR Regulations, any resale of Equity Shares, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsel prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, allotments of Equity Shares made to QIBs, including FVCIs, VCFs and AIFs, in this Issue may be subject to lock-in requirements under the rules and regulations that are applicable to them.

### United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws.

Each purchaser of the Equity Shares, by accepting delivery of this Preliminary Placement Document, will be deemed to:

- Represent and warrant to our Company, the Book Running Lead Manager and its respective affiliates that the offer and sale of the Equity Shares to it is in compliance with all applicable laws and regulations.
- Represent and warrant to our Company, the Book Running Lead Manager and its respective affiliates that it was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares was originated.
- Represent and warrant to our Company, the Book Running Lead Manager and its respective affiliates that it did not purchase the Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S).
- Acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities law of any state of the United States and warrant to our Company, the Book Running Lead Manager and its respective affiliates that it will not offer, sell, pledge or otherwise transfer the Equity Shares except in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Represent and warrant to our Company, the Book Running Lead Manager and its respective affiliates that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.
- Acknowledge that our Company, the Book Running Lead Manager and its respective affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and warrant to our Company and the Book Running Lead Manager that if any such acknowledgements, representations or warranties deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify our Company and the Book Running Lead Manager.

Any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by our Company.



GENERAL INFORMATION
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1. Our Company is incorporated in the Republic of India under the Companies Act, 1956, as a company with limited liability having CIN L65990MH1980PLC023334.
2. The registered and corporate office of our Company is located at 1<sup>st</sup> Floor, Gazadar House, 629A, J. Shankar Sheth Road Mumbai- 400 002, Maharashtra, India.
3. Our Company's authorized share capital is Rs. 15,00,00,000 divided into 15,00,00,00 Equity Shares of Re. 10/- each. As on date of this Preliminary Placement Document, our Company's issued, subscribed and paid-up share capital is Rs. 7,86,32,500 divided into 7863250 Equity Shares of Rs. 10 each.
4. The Issue was authorized and approved by the Board on May 27, 2016, and approved by the Shareholders pursuant to their special resolution dated July 04, 2016.
5. For the main objects of our Company, please refer to the Memorandum.
6. Our Company has applied for and obtained in-principle approval in terms of Regulations 28(1) of the Listing Regulations on June 22, 2017, for the listing of the Equity Shares on the Stock Exchange.
7. The compliance officer for the purpose of the Issue is Ms. Nipa Shah., Company Secretary & Compliance Officer. Address: Gazdar House, 629A, First Floor, J Shankar Sheth Road, Mumbai-400002, Maharashtra, India, Telephone: +91 22 22 2207241; Fax: +91 22 22072644; Email: -info@veerenergy.net site: www.veerenergy.net.
8. Copies of the Memorandum and Articles will be available for inspection during usual business hours on any weekday between 11:00 a.m. to 3:00 p.m. (except Saturdays and public holidays), at the Registered Office.
9. Except as disclosed in this Preliminary Placement Document, there are no significant changes in the financial or trading position of our Company since March 31, 2017, the date of the last audited consolidated financial statements, prepared in accordance with Indian GAAP and the Companies Act included herein.
10. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting our Company or our Company's assets or revenues, nor is our Company aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of the Issue.
11. Except as disclosed in this Placement Document, our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.
12. Our Company's statutory auditors are Jayesh R. Shah & Co., Chartered Accountants, who have audited, the consolidated financial statements and standalone financial statements of our Company for the financial years 2016, 2015 and 2014, and are the independent auditors with respect to our Company in accordance with the guidelines issued by the ICAI.
13. Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified under the SCRR and as required under the Listing Regulations.
14. The floor price for the Issue, as calculated in accordance with Regulation 85 of the ICDR Regulations, is Rs. 22.54 per Equity Share with reference to June 22, 2017, as the Relevant Date. In accordance with the resolution of the Shareholders dated July 04, 2016, and Regulation 85(1) of the ICDR Regulations, the Board may at its discretion, offer a discount of up to 5% to the Floor Price.

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII and Schedule XVIII of the ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

sd/-

**Yogesh Mahasukhlal Shah**  
**Managing Director**

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**Date: June 22, 2017**  
**Place: Ahmedabad**

sd/-  
**Jigar Shah**  
**Chief Financial Officer**

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sd/-

**Nipa Shah**  
**Company Secretary & Compliance Officer**

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**Date: June 22, 2017**  
**Place: Ahmedabad**

## DECLARATION

We, the Directors of the Company certify that:

- (i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the offer shall be used only for the purposes and objects indicated in the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4). Signed by:

**SD/-**

**Yogesh Mahasukhlal Shah**

Managing Director

**Date: June 22, 2017**

**Place: Ahmedabad**

I am authorized by the duly authorized committee of the Board of Directors of the Company, vide resolution dated May 27, 2016, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**SD/-**

**Yogesh Mahasukhlal Shah**

Managing Director

**Date: June 22, 2017**

**Place: Ahmedabad**