



Veer Energy & Infrastructure Ltd.

“NATURE-AL DIRECTION TO ENERGY”

ISO 9001-2008 Certified Company

38th ANNUAL REPORT

2017-2018

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

VEER ENERGY & INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

| NAME | DESIGNATION |
|-----------------------|------------------------------|
| Mr. Yogesh M. Shah | Chairman & Managing Director |
| Mr. Prakash C. Shah | Executive Director |
| Mr. Nilay P. Shah | Executive Director |
| Mrs. Falguni M. Shah | Independent Director |
| Mr. Joseph J. Tauro | Independent Director |
| Mr. Chetan H. Mehta | Independent Director |
| Mr. Mitesh J. Kuvadia | Independent Director |

AUDITORS

| NAME | OFFICE |
|---|--|
| M/s. M. H. Dalal & Associates Chartered Accountants. | 301/308, Balaji Darshan, Tilak Road, Santacruz West, Mumbai - 400054. |

REGISTERED OFFICE

629-A, Gazdar House, 1st Floor, Near Kalbadevi Post Office,
J.S.S. Marg, Mumbai - 400 002.

VEER ENERGY & INFRASTRUCTURE LIMITED

CIN: L65990MH1980PLC023334

Regd. Office: 629-A, Gazdar House, 1st Floor, Near Kalbadevi Post Office, J.S.S. Marg, Mumbai - 400 002.Tel: (022) 22072641 Fax: (022) 22072644 Email: info@veerenergy.net Website: www.veerenergy.net

NOTICE OF 38th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting (AGM) of the members of M/s. Veer Energy & Infrastructure Limited will be held on Friday, September 28, 2018 at 10.30 A.M. at 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai - 400093 to transact the following business:

Ordinary Business**Item no. 1 - Adoption of financial statements**

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors ('the Board') and the Auditors thereon.

Item no. 2 - Appointment of Director liable to retire by rotation

To appoint a Director in place of Mr. Prakash C. Shah (DIN: 01660194), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:**Item No. 3 - Re-appointment of Mr. Chetan H. Mehta as Independent Director**

To re-appoint Mr. Chetan H. Mehta as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Chetan H. Mehta (DIN: 06609429), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024."

Item No. 4 - Re-appointment of Mr. Mitesh J. Kuvadia as Independent Director

To re-appoint Mr. Mitesh J. Kuvadia as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mitesh J. Kuvadia (DIN: 03256900), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent

Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.”

Item No. 5 – Re-appointment of Mr. Joseph J. Tauro as Independent Director

To re-appoint Mr. Joseph J. Tauro as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Joseph J. Tauro (DIN: 01909501), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.”

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
5. Members / proxies/ authorized representatives are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 29, 2017.

8. Brief profile of Directors, nature of their expertise in specific functional areas, number of companies in which they hold directorships and memberships / chairmanships of Board Committees, are provided in the Corporate Governance Report forming part of the Annual Report.
9. Members may note that the Notice of the 38th AGM and the Annual Report 2017-18 will be available on the Company's website, www.veerenergy.net. The physical copies of the documents will also be available at the Company's registered office for inspection on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting.
10. The Register of Members and Share Transfer Books will remain closed from Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of 38th Annual General Meeting of the Company.
11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Registrar and Transfer Agents of the Company, Sharex Dynamic India Pvt. Ltd.
12. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demit accounts. Members holding shares in physical form are required to submit their PAN details to the Registrar and Transfer Agents, Sharex Dynamic India Pvt. Ltd, Unit: Veer Energy & Infrastructure Limited, Unit-I, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East) Mumbai - 400072.
14. Members are requested to update their e-mail address with their Depository Participants to enable the Company to send communications electronically.

Instructions for e-voting

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited (NSDL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

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- II. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- i) Open email and open PDF file titled 'Veer Energy & Infrastructure Limited e-voting.pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - iii) Click on Shareholder – Login.
 - iv) Enter the user ID and password (the initial password noted in step (i) above). Click Login.
 - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) Home page of e-voting will open. Click on e-voting: Active Voting Cycles.
 - vii) Select 'EVEN' (E-voting Event Number) of Veer Energy & Infrastructure Limited.
 - viii) Now you are ready for e-voting as the 'Cast Vote' page opens.
 - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/ are authorized to vote, to the Scrutinizer through e-mail to cs@veerenergy.net with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM:

| | | |
|--|-----------------------|------------------------|
| <u>EVEN (E-voting Event Number)</u> | <u>USER ID</u> | <u>PASSWORD</u> |
|--|-----------------------|------------------------|
 - ii) Please follow all steps from (ii) to (xii) above, to cast your vote.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- IV. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- V. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- VII. The e-voting period commences on September 25, 2018 (9:00 a.m.) and ends on September 27, 2018 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he or she shall not be allowed to change it subsequently.
- VIII. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- IX. Mrs. Khushboo Shah, M.Com, has been appointed as the Scrutinizer to scrutinize the voting at the meeting and e-voting process in a fair and transparent manner.
- X. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.veerenergy.net and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

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

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Yogesh M. Shah
Chairman & Managing Director**

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 3

Mr. Chetan H. Mehta (DIN: 06609429) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Chetan H. Mehta as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company. Accordingly, it is proposed to re-appoint Mr. Chetan H. Mehta as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Chetan H. Mehta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Chetan H. Mehta that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Chetan H. Mehta fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Chetan H. Mehta is independent of the management.

Brief Profile of Mr. Chetan H. Mehta, is annexed to the Notice. Copy of draft letter of appointment of Mr. Chetan H. Mehta setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Chetan H. Mehta is interested in the resolution set out at Item No. 3 of the Notice with regard to his reappointment. Relatives of Mr. Chetan H. Mehta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4

Mr. Mitesh J. Kuvadia (DIN: 03256900) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Mitesh J. Kuvadia as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company. Accordingly, it is proposed to re-appoint Mr. Mitesh J. Kuvadia as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Mitesh J. Kuvadia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Mitesh J. Kuvadia that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Mitesh J. Kuvadia fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Mitesh J. Kuvadia is independent of the management.

Brief Profile of Mr. Mitesh J. Kuvadia, is annexed to the Notice. Copy of draft letter of appointment of Mr. Mitesh J. Kuvadia setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Mitesh J. Kuvadia is interested in the resolution set out at Item No. 4 of the Notice with regard to his reappointment. Relatives of Mr. Mitesh J. Kuvadia may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5

Mr. Joseph J. Tauro (DIN: 01909501) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Joseph J. Tauro as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company. Accordingly, it is proposed to re-appoint Mr. Joseph J. Tauro as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Joseph J. Tauro is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declaration from Mr. Joseph J. Tauro that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Joseph J. Tauro fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Joseph J. Tauro is independent of the management.

Brief Profile of Mr. Joseph J. Tauro, is annexed to the Notice. Copy of draft letter of appointment of Mr. Joseph J. Tauro setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Joseph J. Tauro is interested in the resolution set out at Item No. 5 of the Notice with regard to his reappointment. Relatives of Mr. Joseph J. Tauro may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

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

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Yogesh M. Shah
Chairman & Managing Director**

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1) BRIEF PROFILE OF MR. PRAKASH P. SHAH

| Particulars | Re-appointment |
|--|---|
| Name of the Director | Mr. Prakash C. Shah |
| Age | 67 Years |
| Date of first appointment on the Board | 03/10/2007 |
| Qualification and Experience | Mr. Prakash Shah holds Bachelor of Commerce degree and he also holds Bachelor of Law degree. He has played an essential role for the growth of company due to his vast experience of more than 30 years in project oriented work. At Veer Energy & Infrastructure Limited he is in charge of Land acquisition work. |
| Relationship with other Directors / Key Managerial Personnel | Father of Mr. Nilay Shah and not related to any other Director / Key Managerial Personnel. |
| Listed Companies (other than Veer Energy) in which Directorship held | Nil |
| Chairperson of Board committees | Nil |
| Member of Board committees | Nil |
| Shareholding in the Company as on March 31, 2018 | Nil |

2) BRIEF PROFILE OF MR. CHETAN H. MEHTA

| Particulars | Re-appointment |
|--|---|
| Name of the Director | Mr. Chetan H. Mehta |
| Age | 35 Years |
| Date of first appointment on the Board | 29/05/2013 |
| Qualification and Experience | Mr. Chetan Mehta is a Practicing Chartered Accountant with an experience of more than 5 years and has past experience at Deutsche Bank. |
| Relationship with other Directors / Key Managerial Personnel | Not related to any Director / Key Managerial Personnel. |
| Listed Companies (other than Veer Energy) in which Directorship held | Nil |
| Chairperson of Board committees | Nil |
| Member of Board committees | Nil |
| Shareholding in the Company as on March 31, 2018 | Nil |

3) BRIEF PROFILE OF MR. MITESH J. KUVADIA

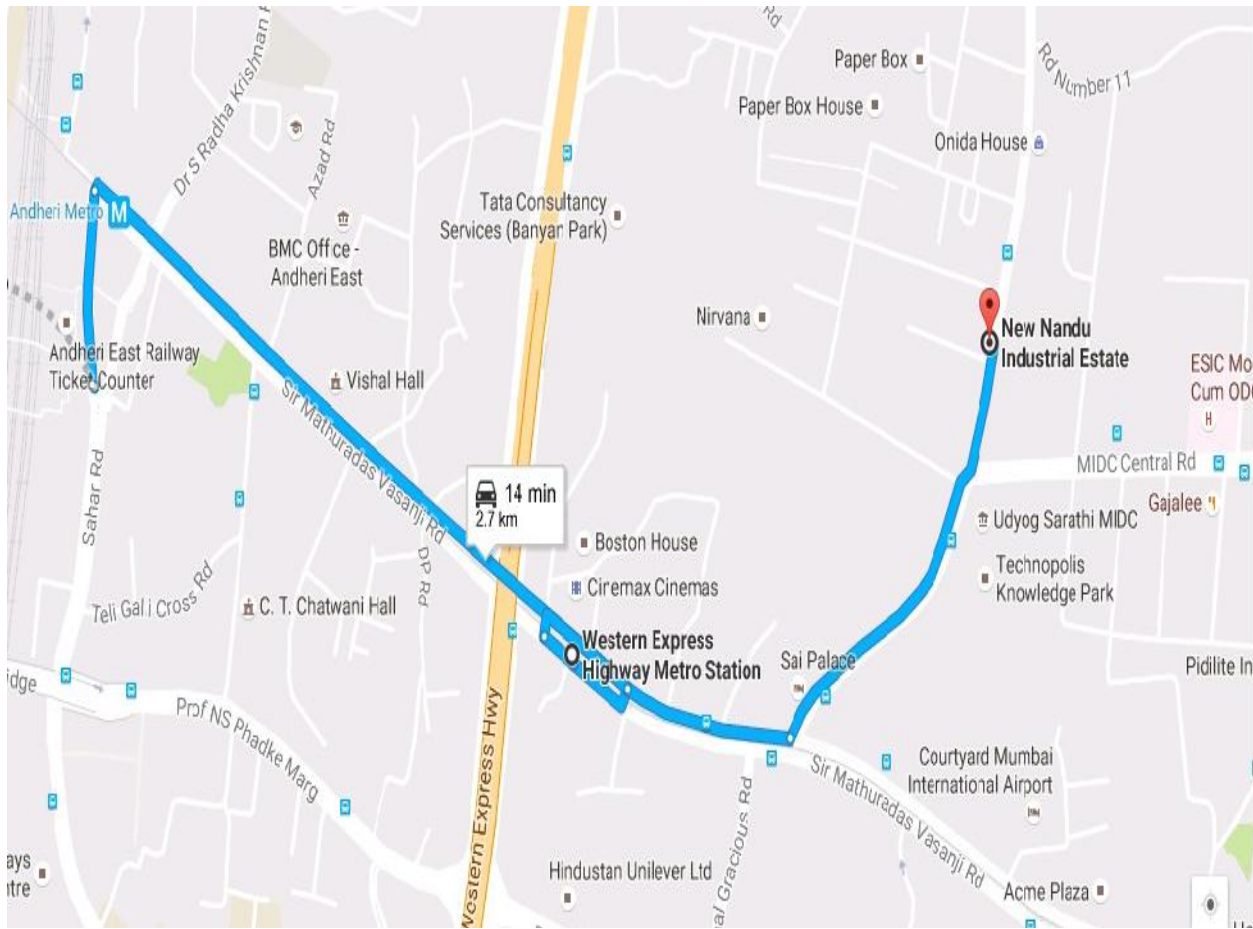
| Particulars | Re-appointment |
|--|--|
| Name of the Director | Mr. Mitesh J. Kuvadia |
| Age | 27 Years |
| Date of first appointment on the Board | 29/05/2013 |
| Qualification and Experience | Mr. Mitesh J. Kuvadia holds Bachelor of Commerce degree from University of Mumbai and is carrying his own business. He has more than four years of experience in the field of marketing and operations. |
| Relationship with other Directors / Key Managerial Personnel | Not related to any Director / Key Managerial Personnel. |
| Listed Companies (other than Veer Energy) in which Directorship held | Nil |
| Chairperson of Board committees | Nil |
| Member of Board committees | <u>Veerhealth Care Limited</u> <ul style="list-style-type: none"> • Audit Committee - Member • Nomination and Remuneration Committee - Member • Stakeholders' Relationship Committee - Member |
| Shareholding in the Company as on March 31, 2018 | Nil |

4) BRIEF PROFILE OF MR. JOSEPH J. TAURO

| Particulars | Re-appointment |
|--|--|
| Name of the Director | Mr. Joseph J. Tauro |
| Age | 69 Years |
| Date of first appointment on the Board | 28/02/2010 |
| Qualification and Experience | Mr. Joseph J. Tauro holds Bachelor of Commerce and CA IIB degree. He has held various positions in IDBI bank and retired from the position of Dep. General Manager, IDBI bank after 32 years of service. |
| Relationship with other Directors / Key Managerial Personnel | Not related to any Director / Key Managerial Personnel. |
| Listed Companies (other than Veer Energy) in which Directorship held | Nil |
| Chairperson of Board committees | Nil |
| Member of Board committees | Nil |
| Shareholding in the Company as on March 31, 2018 | Nil |

Route Map to the AGM Venue

Venue : 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai – 400093.



DIRECTORS REPORT

To
The Members,

The Board hereby presents the 38th Annual Report along with Audited Statements of Accounts for the Financial Year ended March 31, 2018.

FINANCIAL SUMMARY

| Particulars | Amount In Lakhs | |
|---|-----------------|----------------|
| | 2017-18 | 2016-17 |
| <u>Income:</u> | | |
| Revenue from operations | 1418.69 | 1771.75 |
| Other Income | 166.89 | 132.62 |
| Total Revenue (I) | 1585.58 | 1904.37 |
| <u>Expenses:</u> | | |
| Cost of Goods Sold | 957.31 | 1401.10 |
| Employee benefit expense | 111.39 | 111.52 |
| Other expenses | 184.84 | 139.51 |
| Total (II) | 1253.54 | 1652.13 |
| Earning/(loss) before interest, tax, depreciation and amortization (EBITDA) (I) - (II) | 332.04 | 252.24 |
| Depreciation and amortization expense | 104.74 | 100.50 |
| Finance cost | 10.22 | 47.94 |
| Profit for the year | 217.08 | 103.79 |
| Current tax | 46.07 | 21.35 |
| Deferred tax | (84.03) | (37.00) |
| Profit after tax | 255.03 | 119.44 |
| Net Worth | 6085.79 | 5025.39 |

DIVIDEND

In view of further expansion, directors do not recommend any dividend on equity shares for the year ended on 31st March, 2018.

OPERATIONS

The main operations of the Company is to create infrastructure development facilities for the installation of Wind Turbine Generator. As one of the pioneer in the field of renewable energy, Company is very well positioned to take advantage of ever increasing demand for the renewable energy resources. In view of this development, your Directors are hopeful to achieve better results in the coming years.

CORPORATE GOVERNANCE

As per SEBI Listing Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

PERFORMANCE

The turnover of the Company for the year under review is Rs. 1418.69 Lakhs as against Rs. 1771.75 Lakhs in the previous year. Your Directors are hopeful to improve & increase the growth rate in turnover and profitability in current year.

Net Profit before tax for the year under review is Rs. 217.08 Lakhs as against Rs. 103.79 Lakhs in the previous year. Net Profit after tax is at Rs. 255.03 Lakhs as against Rs. 119.44 Lakhs in the previous year.

FUTURE PROSPECTS

The Indian renewable energy sector has shown impressive growth in the past few years and investments into the sector have increased significantly. The Indian power sector has immense opportunities in power generation, distribution, transmission and equipment.

Wind Energy is where India competes globally in manufacturing and deployment in the present scenario. Wind has emerged as the most promising renewable energy source in India. Our Policy framework in wind energy generation is extremely investor-friendly and an attractive tariff and regulatory regime provide a strong foundation for the growth of the sector.

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

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mrs. Nisha B. Shah has resigned from the post of Director and Mrs. Falguni M. Shah has been appointed as Independent Director. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Agreement.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of its compliance committees. The manner in which the evaluation has been carried out has been explained in detail in the Corporate Governance Report, which forms part of this Annual Report.

The following policies of the Company are annexed to this report:

- 1) Policy for selection of Directors and determining Directors independence (Annexure I); and
- 2) Remuneration Policy for Directors, Key Managerial Personnel and other employees (Annexure II).

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

No company has become or ceased to be a subsidiary, joint venture or associate during the financial year 2017-18.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the Profit and Loss of the Company for the year ended on that date;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Directors draw attention of the members to notes to the financial statement which sets out related party disclosures.

AUDITORS & AUDITORS' REPORT

Board of Directors have appointed M/s. M. H. Dalal & Associates, Chartered Accountants in the Annual General Meeting held on September 29, 2017 for a period of five years to hold office till the conclusion of the 42nd Annual General Meeting of the Company. They have confirmed their eligibility and that they are not disqualified for appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

The Board has appointed M/s. Nidhi Shah & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure III to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURES

Audit Committee

The Audit Committee comprises of three Independent Directors namely Mr. Chetan H. Mehta (Chairman), Mr. Mitesh J. Kuvadia (Member) and Mrs. Falguni M. Shah (Member). All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, comprises of senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Chairman of the Audit Committee.

Meetings of the Board

Eight meetings of the Board of Directors were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided are provided in the notes to the Financial Statements.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As required under Section 134(3)(m) of the Companies Act 2013 read with rule 8 of Companies (Accounts) Rules 2014, details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

Energy conservation is an area of priority and the Company has made all efforts to ensure continuous monitoring and improvement in energy consumption in all its offices.

(B) Technology absorption:

Being in the business of providing clean energy, the Company is constantly looking at innovation and technology absorption to increase production efficiency in its business.

(C) Foreign Exchange Earnings and Outgo:

During the current period, there was no Foreign Exchange Earning. Also, the Company has not incurred any expenditure towards Foreign Exchange during this period.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith marked as Annexure IV to this Report.

Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith marked as Annexure V to this Report.

No disclosure or reporting is required in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as there are no employees drawing remuneration in excess of the limits set out in the said rules.

Corporate Social Responsibility

The Company is not required to constitute Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act, 2013.

Material changes and commitments affecting financial position between the end of the financial year and date of the report

There has been no material changes and commitment affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Capital

During the year under review, Company has allotted 25,00,000 equity shares of face value of Rs. 10/- each to the Qualified Institutional Buyers at the issue price of Rs. 22.50/- per equity share including premium of Rs. 12.50 per equity share. Company has also made preferential allotment of 11,46,700 Equity Shares upon conversion of Warrants of Rs. 10 each at a premium of Rs. 17 per share.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

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

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Yogesh M. Shah
Chairman & Managing Director**

**Sd/-
Prakash C. Shah
Executive Director**

ANNEXURE I

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS INDEPENDENCE

Qualifications and criteria

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as general understanding of the Company's business dynamics, social perspective, educational and professional background, personal and professional ethics, integrity and values, willingness to devote sufficient time in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Listing Agreement and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

Criteria of Independence

The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director and the criteria of independence shall be same as laid down in Companies Act, 2013 and the Listing Agreement. The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

ANNEXURE II

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
3. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Remuneration to Executive Directors and Key Managerial Personnel

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include Basic Pay, Perquisites and Allowances and Annual Performance Bonus.

Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Non-Executive Directors shall be entitled to conveyance/sitting fees for attending the meetings of the Board and the Committees thereof.

Remuneration to other employees

Employee's remuneration shall be based on their individual qualifications and work experience, competencies as well as their roles and responsibilities in the organization, job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

ANNEXURE III**Form No. MR.3****Secretarial Audit Report for the financial year ended on March 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,

The Members

**Veer Energy & Infrastructure Limited
Mumbai**

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there-under;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- VI. Other law applicable specifically to the Company, as detailed below;
 1. Foreign Exchange Management Act, 1999
 2. Gujarat Electricity Regulatory Commission (Power Procurement from Renewable Sources) Regulations, 2005 (15 of 2005)

We have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015
- (iii) The listing agreement entered into by the Company with Stock Exchanges in India.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above. We further report that, there was no action/event in pursuance of;

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- c) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

We further report that, based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department/unit heads/Company Secretary/CFO/CEO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exists in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable general laws like labour laws, competition law and environmental laws.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

As per the minutes of the meeting duly recorded and signed by the Chairman, majority decision carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that,

There were no specific events/actions in pursuance of any of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company affairs.

Place: Mumbai
Date: May 29, 2018

Sd/-
Nidhi Shah
ACS No. 45720, CP No. 16854

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

“Annexure A”

To,
The Members
Veer Energy & Infrastructure Limited
Mumbai

Our Secretarial Audit Report of even date is to be read along with this letter;

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

Place: Mumbai
Date: May 29, 2018

Sd/-
Nidhi Shah
ACS No. 45720, CP No. 16854

ANNEXURE IV

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31st March, 2018

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

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L65990MH1980PLC023334 |
| 2. | Registration Date | 24/10/1980 |
| 3. | Name of the Company | Veer Energy & Infrastructure Limited |
| 4. | Category of the Company / Sub-category of the Company | Company Limited by Shares Indian Non-Government Company |
| 5. | Address of the Registered office & contact details | 629-A, Gazdar House, 1 st Floor, J.S.S. Marg, Near Kalbadevi Post Office, Mumbai – 400002. Tel No.: 022-22072641 Fax: 022-22072644 |
| 6. | Whether listed company | Yes |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, 1 st Floor, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072. Tel No.: 022-22641376 / 22702485 Fax: 022-22641349 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|--|------------------------------------|
| 1 | Windmill Infrastructure Developer | 432- Electrical, plumbing and other construction installation activities | 100.00 % |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| - | - | - | - | - | - |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01-04-2017) | | | | No. of Shares held at the end of the year (As on 31-03-2018) | | | | % of Change during the year |
|---|---|----------|---------|-------------------|---|----------|---------|-------------------|-----------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 2639280 | 0 | 2639280 | 33.56 | 3271942 | 0 | 3271942 | 28.43 | -5.13 |
| b) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (A) (1):- | 2639280 | 0 | 2639280 | 33.56 | 3271942 | 0 | 3271942 | 28.43 | -5.13 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total shareholding of Promoter (A) = (A)(1) + (A)(2) | 2639280 | 0 | 2639280 | 33.56 | 3271942 | 0 | 3271942 | 28.43 | -5.13 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Co's | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01-04-2017) | | | | No. of Shares held at the end of the year (As on 31-03-2018) | | | | % of Change during the year |
|--|---|-----------|----------------|-------------------|---|-----------|-----------------|-------------------|-----------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| g) FIIs | 0 | 0 | 0 | 0.00 | 1236454 | 0 | 1236454 | 10.74 | 10.74 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (B)(1):- | 0 | 0 | 0 | 0.00 | 1236454 | 0 | 1236454 | 10.74 | 10.74 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 158698 | 0 | 158698 | 2.02 | 347936 | 0 | 347936 | 3.02 | 1.00 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 3316671 | 20 | 3316691 | 42.18 | 3706707 | 20 | 3706727 | 32.21 | -9.97 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1388039 | 0 | 1388039 | 17.65 | 2237986 | 0 | 2237986 | 19.44 | 1.79 |
| c) Others (specify) | | | | | | | | | |
| i) Clearing Member | 135914 | 0 | 135914 | 1.73 | 291196 | 0 | 291196 | 2.53 | 0.80 |
| ii) OCB | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| iii) Non Resident Indians | 224628 | 0 | 224628 | 2.85 | 397709 | 0 | 397709 | 3.45 | 0.60 |
| iv) Trusts | 0 | 0 | 0 | 0.00 | 20000 | 0 | 20000 | 0.17 | 0.17 |
| Sub-total (B)(2):- | 5223950 | 20 | 5223970 | 66.44 | 7001534 | 20 | 7001554 | 60.83 | -5.61 |
| Total Public Shareholding (B) = (B)(1)+ (B)(2) | 5223950 | 20 | 5223970 | 66.44 | 8237988 | 20 | 8238008 | 71.57 | 5.13 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 7863230 | 20 | 7863250 | 100.00 | 11509930 | 20 | 11509950 | 100.00 | 0.00 |

ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year (As on 01-04-2017) | | | Shareholding at the end of the year (As on 31-03-2018) | | | % change in shareholding during the year |
|---------|----------------------------------|---|----------------------------------|--|---|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Yogesh Mahasuklal Shah | 2371565 | 30.16 | 2.67 | 2621565 | 22.78 | 1.83 | -7.38 |
| 2 | Shruti Yogesh Shah | 0 | 0 | 0.00 | 200000 | 1.74 | 0 | 1.74 |
| 3 | Krupa Yogesh Shah | 0 | 0 | 0.00 | 200000 | 1.74 | 0 | 1.74 |
| 4 | Ruchi Yogesh Shah | 97992 | 1.25 | 0.00 | 97992 | 0.85 | 0.00 | -0.40 |
| 5 | Mahasuklal Shah HUF | 60314 | 0.77 | 0.00 | 60314 | 0.52 | 0.00 | -0.25 |
| 6 | Yogesh Shah HUF | 37292 | 0.48 | 0.00 | 37292 | 0.33 | 0.00 | -0.15 |
| 7 | Jayant Seventilal Shah | 16848 | 0.21 | 0.00 | 16848 | 0.15 | 0.00 | -0.06 |
| 8 | Dharnendra Bipinchandra Shah HUF | 10529 | 0.13 | 0.00 | 10529 | 0.09 | 0.00 | -0.04 |
| 9 | Bhavna Dhimant Shah | 8400 | 0.11 | 0.00 | 0 | 0.00 | 0.00 | -0.11 |
| 10 | Ramila Jayantilal Shah | 4998 | 0.06 | 0.00 | 2000 | 0.02 | 0.00 | -0.04 |
| 11 | Jigar Jayant Shah | 4570 | 0.06 | 0.00 | 4570 | 0.04 | 0.00 | -0.02 |
| 12 | Vivek Dhimant Shah | 4266 | 0.05 | 0.00 | 4266 | 0.04 | 0.00 | -0.01 |
| 13 | Jayantilal V. Shah | 3985 | 0.05 | 0.00 | 3985 | 0.03 | 0.00 | -0.02 |
| 14 | Ashish Jayant Shah | 3900 | 0.05 | 0.00 | 3900 | 0.03 | 0.00 | -0.02 |
| 15 | Dharnendra B. Shah | 3781 | 0.05 | 0.00 | 3781 | 0.03 | 0.00 | -0.02 |
| 16 | Neeta Jayant Shah | 3400 | 0.04 | 0.00 | 3400 | 0.03 | 0.00 | -0.01 |
| 17 | Dhimant J. Shah | 2500 | 0.03 | 0.00 | 0 | 0.00 | 0.00 | -0.03 |
| 18 | Dhimant Jayantilal Shah HUF | 2500 | 0.03 | 0.00 | 1500 | 0.01 | 0.00 | -0.02 |
| 19 | Jasmita D. Shah | 1600 | 0.02 | 0.00 | 0 | 0.00 | 0.00 | -0.02 |
| 20 | Nilay Prakash Shah HUF | 840 | 0.01 | 0.00 | 0 | 0.00 | 0.00 | -0.01 |
| | Total | 2639280 | 33.56 | 2.67 | 3271942 | 28.43 | 1.83 | -5.13 |

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

| Sr. No. | Particulars | Shareholding at the beginning of the year (As on 01-04-2017) | | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | 2639280 | 33.56 | * | * |
| 2 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): * | * | * | * | * |
| 3 | At the end of the year | 3271942 | 28.43 | * | * |

* Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease Cumulative Shareholding

| Sr. No. | Name | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|------------------------------|--|----------------------------------|------------|------------------------------------|------------------------|---|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017/ end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Yogesh Mahasuklal Shah | 2371565 | 30.16 | 01-04-2017 | | | | |
| | | | | 06-10-2017 | 250000 | Preferential Allotment | 2621565 | 23.80 |
| | | 2621565 | 22.78 | 31-03-2018 | | | | |
| 2 | Dharnendra Bipinchandra Shah | 10529 | 0.13 | 01-04-2017 | | | | |
| | | | | 12-01-2018 | -1000 | Sold | 9529 | 0.09 |
| | | | | 23-02-2018 | 1000 | Buy | 10529 | 0.09 |
| | | 10529 | 0.09 | 31-03-2018 | | | | |
| 3 | Ramila Jayantilal Shah | 4998 | 0.06 | 01-04-2017 | | | | |
| | | | | 08-09-2017 | -1998 | Sold | 3000 | 0.03 |
| | | | | 15-09-2017 | -1000 | Sold | 2000 | 0.02 |
| | | 2000 | 0.02 | 31-03-2018 | | | | |

| | | | | | | | | |
|---|-----------------------------|------|------|------------|-------|------|------|------|
| 4 | Dhimant Jayantilal Shah HUF | 2500 | 0.03 | 01-04-2017 | | | | |
| | | | | 12-01-2018 | -1000 | Sold | 1500 | 0.01 |
| | | 1500 | 0.01 | 31-03-2018 | | | | |
| 5 | Bhavna Dhimant Shah | 8400 | 0.11 | 01-04-2017 | | | | |
| | | | | 14-04-2017 | -200 | Sold | 8200 | 0.10 |
| | | | | 07-07-2017 | 200 | Buy | 8400 | 0.08 |
| | | | | 01-09-2017 | -8400 | Sold | 0 | 0.00 |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| 6 | Dhimant J. Shah | 2500 | 0.03 | 01-04-2017 | | | | |
| | | | | 01-09-2017 | -2500 | Sold | 0 | 0.00 |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| 7 | Jasmita D. Shah | 1600 | 0.02 | 01-04-2017 | | | | |
| | | | | 01-09-2017 | -1600 | Sold | 0 | 0.00 |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| 8 | Nilay Prakash Shah HUF | 840 | 0.01 | 01-04-2017 | | | | |
| | | | | 01-09-2017 | -840 | Sold | 0 | 0.00 |
| | | 0 | 0.00 | 31-03-2018 | | | | |

Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | Particulars | Shareholding at the beginning of the year (As on 01-04-2017) | | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | * | * | * | * |
| | Date wise Increase / Decrease in top ten Shareholders during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | * | * | * | * |
| | At the end of the year | * | * | * | * |

* Date wise Increase / Decrease in top ten Shareholders during the year specifying the reasons for increase / decrease Cumulative Shareholding

| Sr. No. | Name | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|----------------------------|--|----------------------------------|------------|------------------------------------|--------|---|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017/ end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Albula Investment Fund Ltd | 1000000 | 9.62 | 07-07-2017 | | | | |
| | | | | 18-08-2017 | -100000 | Sold | 900000 | 8.68 |
| | | | | 25-08-2017 | -200000 | Sold | 700000 | 6.75 |
| | | | | 26-01-2018 | -100000 | Sold | 600000 | 5.45 |
| | | 600000 | 5.21 | 31-03-2018 | | | | |
| 2 | Aspire Emerging Fund | 60454 | 0.58 | 21-07-2017 | | | | |
| | | | | 28-07-2017 | 10000 | Buy | 70454 | 0.68 |
| | | | | 04-08-2017 | 735000 | Buy | 805454 | 7.77 |
| | | | | 12-01-2018 | 6000 | Buy | 811454 | 7.37 |
| | | | | 16-02-2018 | -300000 | Sold | 511454 | 4.44 |
| | | 511454 | 4.44 | 31-03-2018 | | | | |
| 3 | Shreya Nishil Marfatia | 146479 | 1.33 | 23-03-2018 | | | | |
| | | | | 31-03-2018 | -6981 | Sold | 139498 | 1.21 |
| | | 139498 | 1.21 | 31-03-2018 | | | | |

| | | | | | | | | |
|---|--------------------------|--------|------|------------|--------|-----------|--------|------|
| 4 | Avnish Kumar | 115705 | 1.47 | 01-04-2017 | | | | |
| | | | | 05-01-2018 | 100 | Buy | 115805 | 1.05 |
| | | | | 31-03-2018 | 50 | Buy | 115855 | 1.01 |
| | | 115855 | 1.01 | 31-03-2018 | | | | |
| 5 | Kamlesh Sevaram Panjabi | 99000 | 0.90 | 22-12-2017 | | | | |
| | | | | 29-12-2017 | 13000 | Buy | 112000 | 1.02 |
| | | | | 19-01-2018 | 13000 | Buy | 125000 | 1.59 |
| | | | | 31-03-2018 | -22525 | Sold | 102475 | 0.89 |
| | | 102475 | 0.89 | 31-03-2018 | | | | |
| 6 | Davos International Fund | 100000 | 0.96 | 04-08-2017 | | No Change | | |
| | | 100000 | 0.87 | 31-03-2018 | | | | |
| 7 | Krishnakumar Daga | 10000 | 0.09 | 24-11-2017 | | | | |
| | | | | 15-12-2017 | 2497 | Buy | 12497 | 0.11 |
| | | | | 22-12-2017 | 64298 | Buy | 77425 | 0.70 |
| | | 77425 | 0.67 | 31-03-2018 | | | | |
| 8 | Arun Kumar Goenka | 84538 | 1.07 | 01-04-2017 | | | | |
| | | | | 21-04-2017 | -300 | Sold | 84238 | 1.07 |
| | | | | 21-07-2017 | 4500 | Buy | 88738 | 0.86 |
| | | | | 28-07-2017 | -4500 | Sold | 84238 | 0.81 |
| | | | | 04-08-2017 | -300 | Sold | 83938 | 0.81 |
| | | | | 11-08-2017 | -200 | Sold | 83738 | 0.81 |
| | | | | 18-08-2017 | -500 | Sold | 83238 | 0.80 |
| | | | | 15-09-2017 | 75 | Buy | 83313 | 0.80 |
| | | | | 22-12-2017 | -175 | Sold | 83138 | 0.76 |
| | | | | 05-01-2018 | -200 | Sold | 82938 | 0.75 |
| | | | | 12-01-2018 | -200 | Sold | 82738 | 0.75 |
| | | | | 19-01-2018 | -7105 | Sold | 75633 | 0.96 |
| | | | | 26-01-2018 | -2850 | Sold | 72783 | 0.66 |
| | | | | 02-02-2018 | -50 | Sold | 72733 | 0.66 |
| | | | | 23-02-2018 | 4000 | Buy | 76733 | 0.98 |
| | | | | 09-03-2018 | 500 | Buy | 77233 | 0.70 |
| | | | | 23-03-2018 | -500 | Sold | 76733 | 0.70 |
| | | 76733 | 0.67 | 31-03-2018 | | | | |

| | | | | | | | | |
|----|-------------------------|-------|------|------------|--------|-----------|-------|------|
| 9 | Riddhi Ajaykumar Thakor | 69527 | 0.88 | 01-04-2017 | | No Change | | |
| | | 69527 | 0.60 | 31-03-2018 | | | | |
| 10 | Soumit Ghosal | 45750 | 0.58 | 01-04-2017 | | | | |
| | | | | 12-01-2018 | -2000 | Sold | 43750 | 0.40 |
| | | | | 02-02-2018 | -1500 | Sold | 42250 | 0.38 |
| | | 42250 | 0.37 | 31-03-2018 | | | | |
| 11 | Paras Chandrakant Shah | 39000 | 0.50 | 01-04-2017 | | No Change | | |
| | | 39000 | 0.34 | 31-03-2018 | | | | |
| 12 | Ajay Kumar Gupta | 30000 | 0.38 | 01-04-2017 | | | | |
| | | | | 23-06-2017 | 1200 | Buy | 31200 | 0040 |
| | | 31200 | 0.27 | 31-03-2018 | | | | |
| 13 | Vishwanath M Pujari | 30982 | 0.39 | 01-04-2017 | | No Change | | |
| | | 30982 | 0.27 | 31-03-2018 | | | | |
| 14 | Shyam Sundar Lihala | 29483 | 0.37 | 01-04-2017 | | No Change | | |
| | | 29483 | 0.26 | 31-03-2018 | | | | |
| 15 | Sangeeta Gupta | 27500 | 0.35 | 01-04-2017 | | No Change | | |
| | | 27500 | 0.24 | 31-03-2018 | | | | |
| 16 | Kabadi Sundarsa Vittal | 43896 | 0.56 | 01-04-2017 | | | | |
| | | | | 15-09-2017 | -9080 | Sold | 34816 | 0.34 |
| | | | | 27-10-2017 | -24816 | Sold | 10000 | 0.10 |
| | | | | 03-11-2017 | -10000 | Sold | 0 | 0.00 |
| | | 0 | 0.00 | 31-03-2018 | | | | |

Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Name | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---------|---|--|----------------------------------|------------|------------------------------------|------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017/ end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Yogesh M. Shah Managing Director | 2371565 | 30.16 | 01-04-2017 | | | | |
| | | | | 06-10-2017 | 250000 | Preferential Allotment | 2621565 | 23.80 |
| | | 2621565 | 22.78 | 31-03-2018 | | | | |
| 2 | Prakash C. Shah Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |
| 3 | Nilay P. Shah Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |
| 4 | Jospeh J. Tauro Non-Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |
| 5 | Chetan H. Mehta Non-Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |
| 6 | Mitesh J. Kuvadia Non-Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |
| 7 | Falguni M. Shah Non-Executive Director | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |
| | | | | | | | | |

| | | | | | | | | |
|---|---|------|------|------------|--|-----------|--|--|
| 8 | Jigar J. Shah Chief Financial Officer | 4570 | 0.06 | 01-04-2017 | | No Change | | |
| | | 4570 | 0.04 | 31-03-2018 | | | | |
| 9 | Nipa N. Thakker Company Secretary | 0 | 0.00 | 01-04-2017 | | No Change | | |
| | | 0 | 0.00 | 31-03-2018 | | | | |

V. INDEBTEDNESS

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

(Rs. in Lakhs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 53.40 | - | - | 53.40 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 53.40 | - | - | 53.40 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 25.70 | - | - | 25.70 |
| * Reduction | - | - | - | - |
| Net Change | 25.70 | - | - | 25.70 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 79.10 | - | - | 79.10 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 79.10 | - | - | 79.10 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sr. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|---------|---|--|---------------------------------------|-------------------------------------|------------------|
| | | Yogesh M. Shah Managing Director | Prakash C. Shah Executive Director | Nilay P. Shah Executive Director | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 16,25,000 | 9,75,000 | 9,10,000 | 35,10,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission - as % of profit - others, specify... | - - | - - | - - | - - |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | 16,25,000 | 9,75,000 | 9,10,000 | 35,10,000 |
| | Ceiling as per the Act | Rs. 84 Lakhs as provided in Section II, Part II of Schedule V of the Companies Act, 2013 and as amended vide MCA Notification No. S.O. 2922(E) dated 12th September, 2016. | | | |

B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|--|-----------------|--------------------|-----------------|------------------|
| | | Joseph J. Tauro | Chetan H. Mehta | Mitesh J. Kuvadiah | Falguni M. Shah | |
| 1 | Independent Directors | | | | | |
| | Fee for attending board / committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others - Conveyance | 3,000 | 3,000 | 5,000 | 1,000 | 12,000 |
| | Total (1) | 3,000 | 3,000 | 5,000 | 1,000 | 12,000 |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board / committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total (B) = (1+2) | 3,000 | 3,000 | 5,000 | 1,000 | 12,000 |
| | Total Managerial Remuneration (A)+ (B) | | | | | 35,22,000 |
| | Overall Ceiling as per the Act | Rs. 84 Lakhs as provided in Section II, Part II of Schedule V of the Companies Act, 2013 and as amended vide MCA Notification No. S.O. 2922(E) dated 12th September, 2016. | | | | |

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

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|--------------------------------------|----------------------|--------------|
| | | CEO | Nipa N. Thakker Company Secretary | Jigar J. Shah CFO | Total Amount |
| 1 | Gross salary | Not Applicable | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | 2,79,500 | 7,20,000 | 9,99,500 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | - | - | - |
| 2 | Stock Option | | - | - | - |
| 3 | Sweat Equity | | - | - | - |
| 4 | Commission | | - | - | - |
| | - as % of profit | | - | - | - |
| | - others, specify... | - | - | - | |
| 5 | Others, please specify | - | - | - | |
| | Total | 2,79,500 | 7,20,000 | 9,99,500 | |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

| Sr. No | Name of Director/KMP and Designation | Remuneration of Director/KMP for Financial Year 2017-18 | % increase in Remuneration in the Financial Year 2017-18 | Ratio of Remuneration of each Director/to median remuneration of employees |
|--------|---|---|--|--|
| 1 | Yogesh M. Shah Managing Director | 16,25,000 | Nil | 8.68 |
| 2 | Prakash C. Shah Executive Director | 9,75,000 | Nil | 5.21 |
| 3 | Nilay P. Shah Executive Director | 9,10,000 | Nil | 4.86 |
| 4 | Joseph J. Tauro Non-Executive Director | Nil | Nil | Nil |
| 5 | Chetan H. Mehta Non-Executive Director | Nil | Nil | Nil |
| 6 | Mitesh J. Kuvadia Non-Executive Director | Nil | Nil | Nil |
| 7 | Falguni M. Shah Non-Executive Director | Nil | Nil | Nil |
| 8 | Jigar J. Shah Chief Financial Officer | 7,20,000 | Nil | Not Applicable |
| 9 | Nipa N. Thakker Company Secretary | 2,79,500 | 28.80% | Not Applicable |

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1,87,200.
- iii) In the financial year, there was an increase of 11.63% in the median remuneration of employees.
- iv) There were 17 permanent employees on the rolls of Company as on 31st March, 2018.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2017-18 was 19.52% whereas the average percentage increase in the managerial remuneration for the same financial year was Nil.
- vi) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS

As per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Board of Directors of the Company shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the Board of Directors comprising non-executive directors.

Veer Energy & Infrastructure Limited's Board comprises of Seven Directors, of which three are Executive Directors and four are Non-Executive Independent Directors, including one woman director.

BRIEF PROFILE OF DIRECTORS IS GIVEN BELOW:

- 1) Mr. Yogesh M. Shah (DIN: 00169189) (60 years) is the Managing Director and Chairman of the Company. He carries an immeasurable knowledge in the field of Accountancy & Taxation. He has shown the way from the front to make over Veer Energy & Infrastructure Limited as one of the apex wind farm infrastructure developer in India.
- 2) Mr. Prakash C. Shah (DIN: 01660194) (67 years) holds Bachelor of Commerce degree and he also holds Bachelor of Law degree. He has played an essential role for the growth of company due to his vast experience of more than 35 years in the business.
- 3) Mr. Nilay P. Shah (DIN: 05307690) (44 years) is mechanical engineer by profession. He has fast-paced & success oriented experience of more than 18 years in specific engineering manufacturing segment.
- 4) Mrs. Falguni M. Shah (DIN: 07490502) (39 years) holds Bachelor of Commerce degree from University of Mumbai. She is an Independent Women Director.
- 5) Mr. Joseph J. Tauro (DIN: 01909501) (69 years) holds Bachelor of Commerce and CA IIB degree. He has held various positions in IDBI bank and retired from the position of Dep. General Manager, IDBI bank after 32 years of service.
- 6) Mr. Chetan H. Mehta (DIN: 06609429) (35 years) is a Practicing Chartered Accountant with an experience of more than 5 years and has past experience at Deutsche Bank.
- 7) Mr. Mitesh J. Kuvadiah (DIN: 03256900) (27 years) holds Bachelor of Commerce degree from University of Mumbai and is carrying his own business. He has more than four years of experience in the field of marketing and operations.

SELECTION & TRAINING OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. All Independent Directors are aware and further updated about their roles, rights and responsibilities in the Company. Each director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part. Further, they meet without the presence of the Company's Management Personnel to discuss matters pertaining to the Company's affairs and put forth their combined views to the Chairman and Managing Director.

EVALUATION OF THE BOARD'S PERFORMANCE

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and its Committees, experience & competencies, performance of specific duties and obligations, governance issues, etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

BOARD MEETINGS

Mr. Yogesh M. Shah, Managing Director of the Company, chairs the Board Meeting. During the financial year ended 31st March, 2018, Eight (8) Board Meetings were held i.e. on 15/05/2017, 22/06/2017, 27/06/2017, 29/06/2017, 30/06/2017, 14/08/2017, 11/12/2017 and 14/02/2018.

Attendance of each Director at Board Meetings, last Annual General Meeting and Number of other directorships and chairmanships / memberships of Committees in various companies:

| Name of the Director | No. of Board Meetings attended | Last AGM attended | No. of other Directorship(s) as on 31-03-2018 | No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies as on 31-03-2018 |
|-----------------------------|---------------------------------------|--------------------------|--|---|
| Mr. Yogesh M. Shah | 7 | Yes | 3 | Nil |
| Mr. Prakash C. Shah | 4 | No | 1 | Nil |
| Mr. Nilay P. Shah | 4 | No | Nil | Nil |
| Mr. Joseph J. Tauro | 3 | No | Nil | Nil |
| Mr. Chetan H. Mehta | 3 | Yes | Nil | Nil |
| Mr. Mitesh J. Kuvadia | 5 | Yes | 2 | 2 (Member) |
| Mrs. Falguni M. Shah | 1 | Yes | 1 | Nil |

AUDIT COMMITTEE

The Audit Committee comprises of three Independent Directors namely Mr. Chetan H. Mehta as Chairman and Mr. Mitesh J. Kuvadia and Mrs. Falguni M. Shah as members.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. Members of the Audit Committee possess financial accounting expertise and exposure. The powers & role of Audit committee and review of information by the Audit Committee shall be same as prescribed in SEBI Listing Regulations.

Four (4) meetings of the Audit Committee were held during the year. The meetings were held on 15/05/2017, 14/08/2017, 11/12/2017 and 14/02/2018.

Attendance of members of the Audit Committee during the Financial Year 2017 - 2018 is as under:

| MEMBER | NO. OF MEETINGS ATTENDED |
|-----------------------|--------------------------|
| Mr. Chetan H. Mehta | 4 |
| Mr. Mitesh J. Kuvadia | 4 |
| Mrs. Falguni M. Shah | 3 |

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Independent Directors namely Mr. Chetan H. Mehta as Chairman and Mr. Mitesh J. Kuvadia and Mrs. Falguni M. Shah as members.

The Nomination and Remuneration Committee identifies persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal. The Committee formulates the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

Two (2) meetings of the Nomination and Remuneration Committee were held during the year. The meetings were held on 14/04/2017 and 11/12/2017.

Attendance of members of the Nomination and Remuneration Committee during the Financial Year 2017 - 2018 is as under:

| MEMBER | NO. OF MEETINGS ATTENDED |
|-----------------------|--------------------------|
| Mr. Chetan H. Mehta | 2 |
| Mr. Mitesh J. Kuvadia | 2 |
| Mrs. Falguni M. Shah | 1 |

REMUNERATION TO DIRECTORS

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure II to the Directors' Report. The remuneration policy is in consonance with the existing industry practice.

Mr. Yogesh M. Shah, Managing Director and Mr. Prakash C. Shah & Mr. Nilay P. Shah were the executive directors on the Board, rest were Non - Executive Independent Directors. Salary drawn annually for the financial year 2017 - 2018 by Mr. Yogesh M. Shah, Mr. Prakash C. Shah and Mr. Nilay P. Shah was Rs. 16,25,000, Rs. 9,75,000 and Rs. 9,10,000 respectively. The Company has not granted any stock option to any of its Executive Directors.

The tenure of office of the Managing Director and Whole-time Directors is for five years from their respective dates of appointment and can be terminated by either party by giving three months notice in writing. There is no separate provision for payment of severance fees. During the year, only conveyance/sitting fees were paid to Non-Executive Directors. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of three Independent Directors namely Mr. Chetan H. Mehta as Chairman and Mr. Mitesh J. Kuvadia and Mrs. Falguni M. Shah as members.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints.

Details of investor complaints received and redressed during the financial year 2017-18 is as under:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|------------------------|---------------------------------|---------------------------------|------------------------|
| 0 | 0 | 0 | 0 |

Two (2) meetings of the Stakeholders Relationship Committee were held during the year. The meetings were held on 14/04/2017 and 11/12/2017.

Attendance of members of the Stakeholders Relationship Committee during the Financial Year 2017-2018 is as under:

| MEMBER | NO. OF MEETINGS ATTENDED |
|-----------------------|---------------------------------|
| Mr. Chetan H. Mehta | 2 |
| Mr. Mitesh J. Kuvadia | 2 |
| Mrs. Falguni M. Shah | 1 |

GENERAL MEETINGS

The details of last three Annual General Meetings of the Company are as under:

| MEETING | DATE AND TIME OF AGM | VENUE | SPECIAL RESOLUTION PASSED |
|----------------------|-----------------------------|---|---|
| 35 th AGM | 30-09-2015 at 11.30 AM | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093 | 1. To increase the borrowing limits of the Company. 2. To create Charge / Mortgage on the Assets of the Company. 3. To give loans, guarantees, make investments and provide securities. 4. To adopt new set of Articles of Association of the Company. |
| 36 th AGM | 30-09-2016 at 10.30 AM | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093 | 1. Preferential Allotment of Equity Shares. 2. Preferential Allotment of Warrants. |
| 37 th AGM | 29-09-2017 at 10.30 AM | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai- 400093 | No Special Resolution was passed in the meeting. |

DISCLOSURES

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 45 of Standalone Financial Statements, forming part of the Annual Report. All related party transactions are negotiated on arm's length basis and are intended to further the Company's interests.

During the Financial Year 2017-2018, Securities And Exchange Board of India imposed penalty on the Company of Rs. 1,00,000 for violation of Regulation 8A(4) of Takeover Regulations, 1997 in the Year 2010-2011 and Rs. 5,00,000 for violation of Clause 35 of Listing Agreement read with Section 21 of SCRA in the year 2012-2013.

During the last three years, other than above, there were no instance of non compliance of any matter relating to the Capital Market and no penalties were imposed on the company by any other statutory authority on any matter relating to capital markets.

INTERNAL CONTROLS

The Company has adequate internal controls in place considering the complexity, size and nature of operations of the Company.

WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

MEANS OF COMMUNICATION

Quarterly Results

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

Website

The Company's website (www.veerenergy.net) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) and online viewing by investors of actions taken on the complaint and its current status.

GENERAL SHAREHOLDERS INFORMATION

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65990MH1980PLC023334.

Annual General Meeting

| | |
|------------------|--|
| Day, Date & Time | Friday, 28 th September, 2018 at 10.30 A.M. |
| Venue | 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. |

Financial Year

April to March

Date of Book Closure

Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive).

Listing on Stock Exchange

BSE Limited (BSE) Scrip Code: 503657; ISIN: INE255E01030

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

Ph: 022-2272 1233; Fax: 022-2272 1919; Email: corp.comm@bseindia.com.

Payment of Listing Fees

The Company has paid Listing Fees for the year 2018-19 to BSE within due date.

Payment of Depository Fees

The Company has paid Annual Custodial fees for the year 2018-19 to NSDL and CDSL within due date.

Registrars and Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.

Unit-1, Luthra Industrial Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072.

Ph: 022-2264 1376/2270 2480; Fax: 022-2264 1349; Email: sharexindia@vsnl.com.

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

DEMATERIALIZATION OF SHARES

Over 99.99% of the Company's paid-up equity share capital has been dematerialized upto 31st March, 2018. Trading in Equity Shares of the Company is permitted only in dematerialization form.

Mode of Holding

| NSDL | CDSL | PHYSICAL | TOTAL |
|---------|---------|----------|----------|
| 4442512 | 7067418 | 20 | 11509950 |

The Company has entered into an agreement with the following depositories, which are providing services of dematerialization of equity shares. Shareholders can approach the depository participants of the below depositories for dematerialization of their Shares.

National Securities Depository Limited (NSDL)

Trade World, A Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013.

Ph: 022-2499 4200; Fax: 022-2497 6351; Email: info@nsdl.co.in.

Central Depository Services (India) Limited (CDSL)

Marathon Futurex, Unit No. 2501, 25th Floor, A-Wing, Mafatlal Mills Compound, N. M. Joshi Marg,
Lower Parel, Mumbai 400013.

Ph: 022-2302 3333; Email: helpdesk@cdslindia.com.

PLANT LOCATIONS

| | |
|------------------------|--|
| Chandrodi Sub Station | Off Radhanpur Highway SF No. 129 Village: Chandrodi, Taluka: Bhachau Dist: Kutch, Pin Code: 370 145. |
| Mota Gunda Sub Station | SF No. 176, Village: Mota Gunda, Taluka: Bhanvad, Dist : Devbhoomi Dwarka, Pin Code: 361 210. |
| Venjalpur Sub Station | SF No. 28 & 29 /4, Village: Venjalpur, Taluka: Khambaliya, Dist: Devbhoomi Dwarka, Pin Code: 361 305. |
| Kundhada Sub Station | SF No. 97 / 2, Village: Kundhada, Taluka: Talaja, Dist: Bhavnagar, Pin Code: 364 145. |
| Ludarwa Sub Station | Khardero Ki Dhani, Tawariya & Kahala Tehsil, Dist: Jaisalmer, Pin Code: 345 001. |

ADDRESS FOR CORRESPONDENCE

Regd Office: 629-A, Gazdar House, 1st Floor, Near Kalbadevi Post Office, J.S.S. Marg, Mumbai – 400 002.

Tel: 022-22072641; Fax: 022-22072644; Email: info@veerenergy.net; Website: www.veerenergy.net.

SHAREHOLDING PATTERN

Share holding pattern of the Company as on 31st March, 2018 is as under:

| CATEGORY | PHYSICAL | | ELECTRONIC | | TOTAL | |
|---------------------------------|--------------|-------------|-----------------|---------------|-----------------|---------------|
| | No. of share | % | No. of share | % | No. of share | % |
| A. Promoters' Holding | | | | | | |
| - Indian Promoters | Nil | | 3271942 | 28.43 | 3271942 | 28.43 |
| - NRI Promoters | Nil | | Nil | | Nil | |
| - Bodies Corporate | Nil | | Nil | | Nil | |
| B. Non-Promoters Holding | | | | | | |
| - Institutions | Nil | | 1236454 | 10.74 | 1236454 | 10.74 |
| - Non Institutions | 20 | 0.00 | 7001534 | 60.83 | 7001554 | 60.83 |
| - Banks, FIIs | Nil | | Nil | | Nil | |
| GRAND TOTAL | 20 | 0.00 | 11509930 | 100.00 | 11509950 | 100.00 |

DISTRIBUTION SCHEDULE ON SCRIP VALUE (AS ON 31st MARCH, 2018)

| SHARE OF NOMINAL VALUE (1) | NO. OF HOLDERS (2) | % OF HOLDERS (3) | TOTAL AMOUNT (4) | % OF AMOUNT (5) |
|---|-----------------------------------|---------------------------------|---------------------------------|--------------------------------|
| UPTO 5000 | 15428 | 90.49 | 13472070.00 | 11.70 |
| 5001 TO 10000 | 788 | 4.62 | 6366950.00 | 5.53 |
| 10001 TO 20000 | 391 | 2.29 | 5839840.00 | 5.07 |
| 20001 TO 30000 | 144 | 0.84 | 3603180.00 | 3.13 |
| 30001 TO 40000 | 66 | 0.39 | 2354910.00 | 2.05 |
| 40001 TO 50000 | 53 | 0.31 | 2460500.00 | 2.14 |
| 50001 TO 100000 | 83 | 0.49 | 6236550.00 | 5.42 |
| 100001 AND ABOVE | 97 | 0.57 | 74765500.00 | 64.96 |
| TOTAL | 17050 | 100.00 | 115099500.00 | 100.00 |

STOCK MARKET PRICE DATA

| MONTH | HIGH | LOW |
|----------------|-------------|------------|
| April 2017 | 29.40 | 22.80 |
| May 2017 | 27.90 | 23.30 |
| June 2017 | 24.40 | 21.25 |
| July 2017 | 26.00 | 21.25 |
| August 2017 | 38.00 | 23.50 |
| September 2017 | 34.85 | 25.75 |
| October 2017 | 29.60 | 24.00 |
| November 2017 | 32.40 | 25.45 |
| December 2017 | 41.60 | 27.15 |
| January 2018 | 43.40 | 35.20 |
| February 2018 | 39.90 | 26.05 |
| March 2018 | 33.80 | 22.15 |

COMPLIANCE CERTIFICATE OF AUDITOR

Certificate from the Company's Auditor, M/s. M. H. Dalal & Associates, confirming compliance with conditions of Corporate Governance is attached to this Report.

MD / CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

CODE OF CONDUCT DECLARATION

All board Members and senior management personnel have affirmed their compliance with the Code of Conduct for the year ended 31st March, 2018. The Model Code of Conduct is available on the website of the Company (www.veerenergy.net). The declaration from the Managing Director to this effect forms part of this report.

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

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Yogesh M. Shah
Chairman & Managing Director**

**Sd/-
Prakash C. Shah
Executive Director**

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

It is hereby confirmed that all the Members of the Board and Senior Management of the Company have affirmed adherence to and compliance with the Code of Conduct laid down by the Company for the year ended 31st March, 2018.

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

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Yogesh M. Shah
Chairman & Managing Director**

MD AND CFO CERTIFICATION

To,
The Board of Directors
Veer Energy & Infrastructure Limited

Dear Members of the Board,

We, Mr. Yogesh M. Shah, Managing Director and Mr. Jigar J. Shah, Chief Financial Officer of Veer Energy & Infrastructure Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative the Company's Code of Conduct.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
6. We have indicated to the Auditors and the Audit Committee:
 - i) that there are no significant changes in internal control over financial reporting during the year;
 - ii) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) that there are no instances of significant fraud of which we have become aware.

Place: Mumbai
Date: 14th August, 2018

Sd/-
Yogesh M. Shah
Chairman & Managing Director

Sd/-
Jigar J. Shah
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Veer Energy & Infrastructure Limited,

We have examined the compliance of conditions of Corporate Governance by Veer Energy & Infrastructure Limited ('the Company'), for the year ended on 31st March, 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M. H. Dalal & Associates
Chartered Accountants
Firm Regn. No. 112449W**

**Place: Mumbai
Date: 14th August, 2018**

**Sd/-
Devang M. Dalal
Partner
Membership No. 109049**

MANAGEMENT DISCUSSION & ANALYSIS

Industry Structure and Developments

Wind power is the use of air flow through wind turbines to provide the mechanical power to turn electric generators. Wind power, as an alternative to burning fossil fuels, is plentiful, renewable, widely distributed, clean, produces no greenhouse gas emissions during operation, consumes no water, and uses little land. The net effects on the environment are far less problematic than those of non-renewable power sources. Wind power gives variable power, which is very consistent from year to year but has significant variation over shorter time scales. It is therefore used in conjunction with other electric power sources to give a reliable supply.

Wind power consulting companies offer consulting services to the wind power industry, including wind turbine design and certification, technical due diligence, wind resource maps, wind resource assessments, wind power forecasting, and wind turbine power performance testing. Most of these companies maintain financial independence from wind farm projects in order to guarantee unbiased service to their clients.

Outlook

Due to rapid modernization and urbanization, power demand in India has been expected to rise up very high in near future. India had constantly been putting efforts to utilise the renewable energy sources over more than a decade, but a major turning point came to notice in the year 2014. The government gave due attention and certain reforms and initiatives were taken leading to favourable factors for the renewable energy source in India.

SWOT Analysis

Strengths

- No fuel inputs and therefore no fuel costs.
- Trustworthy, beneficial and environment friendly source of energy.
- Wind projects under stable policy frameworks are less affected by the credit crunch than higher risk investments.
- The manpower requirement for Operation and Maintenance (O&M) of wind power project is low and hence the O&M costs are also low.
- Separate state nodal agencies at state level to support at state level.
- It has the lowest gestation period as compared to conventional energy.
- Dedicated Ministry (MNRE) at Central Level.
- Fast track power project, with low gestation period and a modular concept.

Weaknesses

- Inadequate Grid Infrastructure.
- Not as efficient as fossil fuels.
- Policy of the market may be affected by political changes.
- Higher initial cost as compared to fossil fuel based power generation.
- Absence of single window clearance system, due to which there is delay in getting the necessary approvals.
- Potential sites are inaccessible.

Opportunities

- Supplies power as per demand in remote areas which lack grid & road infrastructure.
- Government promoting this sector and providing incentives.
- Increasing demand for wind energy worldwide.
- Unique storage techniques and technologies.
- Reduction of O&M costs through direct drive wind turbines.

Threats

- Cut throat competition from existing and new industries.
- Market demand and supply may get affected due to change in regulations and policies.
- Offshore wind deemed too expensive.
- Possibility of Technology becoming obsolete.
- Public loses concern about carbon emissions, making it more difficult to maintain supportive policies and incentives.

Risks

Company classifies the risks broadly into two categories, viz., External Risks and Internal Risks. The external risks mainly comprises of business risks on various fronts. The identified business risks and opportunities are deliberated in detail and thereafter considered in the business plan of the Company along with the mitigation plan. The internal risks identified by the Board are systematically addressed on a continuous basis across the locations.

Internal control systems and their adequacy

Our governance and compliance processes, which include the review of internal control over financial reporting ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized, recorded and reported. It also conducts regular internal audits to test compliance with the statutory requirements. Audits are led by professional audit managers and supported by experienced personnel drawn from across the organization. Audit results are used by management to create detailed action plans where the businesses have not yet achieved full compliance with the requirements. Key findings are reported to senior management and summary reports are considered by the Audit Committee of the Board. The nature of the industries in which the company operates means that many of its activities are highly regulated by health, safety and environmental norms while maintaining operational integrity.

Financial Performance

Veer Energy has been a consistent value creator for all its stakeholders. Details regarding financial performance is published in the Annual Report.

Human Resources

The positive and motivating work environment of the company advances innovation, encourages growth and inculcates a positive spirit among the workforce. Employees are nurtured within the company, which increases their potential and growth in various matters. Working in the company has always made it an enriching experience for the multi-generational, diversified and mobile workforce.

Cautionary Statement

The statements made above may be construed as forward looking statements within the meaning of the applicable laws and regulations. Actual performance of the Company may vary substantially depending upon the business structure and model from time to time.

INDEPENDENT AUDITORS REPORT

To,
The Members of
VEER ENERGY & INFRASTRUCTURE LIMITED

Report on the Financial Statements

1. We have audited the accompanying Ind AS financial statements of **Veer Energy & Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows, and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken in to account the provisions of the Act and Rules made there under including 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.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the

circumstances. 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 Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statement.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, and its profit (including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.

Other matters

9. The financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by M/s. Jayesh R Shah & Co., on which M/s. Jayesh R Shah & Co. expressed an unmodified opinion dated May 15, 2017 and May 27, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

10. 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 ("the Order") and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanation given to us, we give in the Annexure-B a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
11. 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(including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act;
 - e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A;

- g. With respect to the other matters to be 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, if any, of pending litigations as at 31st March, 2018 on its financial position in its Ind AS financial statements-Refer Note 32 of the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts as at March 31, 2018 for which there were any material foreseeable losses.
 - iii. Read with Note No. 22 of the Ind AS financial statements, there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protector Fund by the Company during the year ended March 31, 2018.

For M. H. Dalal & Associates
Chartered Accountants
Firm Registration No.112449W

Sd/-
Devang Dalal
Partner
Membership No.109049

Place: Mumbai
Date: 29th May, 2018

Annexure-A to the Independent Auditors Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Veer Energy & Infrastructure Limited on the Ind AS financial statements for the year ended March 31, 2018

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")

1. We have audited the internal financial controls over financial reporting of Veer Energy & Infrastructure Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial control, both applicable to an audit of internal financial control and both issued by ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 M. H. Dalal & Associates
Chartered Accountants
Firm Registration No.112449W

Sd/-
Devang Dalal
Partner
Membership No.109049

Place: Mumbai
Date: 29th May, 2018

Annexure-B to the Independent Auditors Report

Referred to in paragraph (10) of the Independent Auditors Report of even date to the members of Veer Energy & Infrastructure Limited on the Ind AS financial statements for the year ended March 31, 2018

- i. (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.
- ii. As per the information furnished, the inventories have been physically verified by the management during the year once in a year, 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.
- iii. In our opinion and according to information and explanation given to us and from verification of the records, we are of the opinion that the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence sub clause (i), ii, and iii of this clause is not applicable.
- iv. In our opinion, and according to the information and explanations given to us and from verification of the records, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185. Further the Company has complied with the provisions of section 186 of the Companies Act,, in respect of the loans and investments made, and guarantees and security provided by it.
- v. 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.
- vi. As per the information provided and from verification of the records, We are of the opinion that,, the Company is not covered under the requirements for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and hence the provisions of clause 3(vi) is not applicable to the Company.
- vii. (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance Fund, Income-tax, Sales-tax, service tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with appropriate authorities.
(b) According to the records of the Company examined by us and the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty, PF, ESIC and any other statutory dues which have remained outstanding as at 3^{1st} March, 2018 for a period of more than six months from the date they become payable except 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 | 28416720/- | A.Y.2014-15 | Pending Appeal before CIT |

- viii. 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.
- ix. We have verified the records of the Company, and of the opinion that the company has raised fund of Rs. 3,12,50,000 through issue of 25,00,000 equity shares of Rs.10/- each at a premium of Rs. 12.50 per shares to qualified institutional buyers. And 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.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. The Company has provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. 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 Ind AS Financial Statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- xiv. We have verified the records of the Company, and of the opinion that the company has allotted 11,46,700 equity shares of Rs. 10/- each against the share warrant. In our 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.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provision of Clause 3(xv) is not applicable to the Company.
- xvi. We have been informed that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provision of Clause 3(xvi) is not applicable to the Company.

For M. H. Dalal & Associates
Chartered Accountants
Firm Registration No.112449W

Sd/-
Devang Dalal
Partner
Membership No.109049

Place: Mumbai
Date: 29th May, 2018

VEER ENERGY & INFRASTRUCTURE LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2018

| ASSETS | Note No. | As at 31-03-2018 Rs. In Lakhs | As at 31-03-2017 Rs. In Lakhs | As at 01-04-2016 Rs. In Lakhs |
|---|----------|----------------------------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | | | | |
| (a) Property, Plant and Equipment | 4 | 1,499.78 | 1,581.61 | 1,571.63 |
| (b) Financial Assets | | | | |
| (i) Investments | 5 | 0.30 | 0.30 | 1,919.07 |
| (ii) Others | 6 | 1,064.76 | 1,384.44 | 127.89 |
| (c) Other Non-Current Assets | 7 | 45.91 | 7.94 | 22.06 |
| | | 2,610.75 | 2,974.29 | 3,640.65 |
| CURRENT ASSETS | | | | |
| (a) Inventories | 8 | 2,821.64 | 2,247.73 | 1,753.19 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | 9 | 345.51 | 499.85 | 446.78 |
| (ii) Cash and Cash Equivalents | 10 | 3.50 | 7.88 | 5.58 |
| (iii) Bank balances other than (ii) above | 10A | 2.99 | 6.33 | 3.20 |
| (iv) Loans | 11 | - | - | 1,013.08 |
| (v) Others | 12 | 1,196.96 | 272.58 | 153.62 |
| (c) Current Tax Assets (Net) | 13 | 70.81 | 98.22 | 63.17 |
| (d) Other Current Assets | 14 | 84.04 | 7.54 | 69.30 |
| | | 4,525.45 | 3,140.14 | 3,507.91 |
| TOTAL ASSETS | | 7,136.20 | 6,114.42 | 7,148.56 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| (a) Equity Share Capital | 15 | 1,151.00 | 786.33 | 711.33 |
| (b) Other Equity | 15A | 4,934.79 | 4,239.07 | 3,903.00 |
| | | 6,085.79 | 5,025.39 | 4,614.32 |
| LIABILITIES | | | | |
| NON-CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 16 | 45.46 | 68.94 | 232.45 |
| (ii) Other Financial Liabilities | 17 | 562.64 | 629.65 | 300.00 |
| (b) Provisions | 18 | 8.26 | 9.04 | 20.97 |
| (c) Deferred Tax Liabilities (Net) | 19 | 175.46 | 274.65 | 311.65 |
| | | 791.81 | 982.29 | 865.08 |
| CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 20 | 33.64 | -15.54 | 610.75 |
| (ii) Trade Payables | 21 | 198.66 | 95.41 | 631.83 |
| (iii) Other Financial Liabilities | 22 | 2.99 | 2.99 | 408.65 |
| (b) Other Current Liabilities | 23 | 5.04 | 7.85 | 17.94 |
| (c) Provisions | 24 | 18.27 | 16.02 | - |
| | | 258.60 | 106.73 | 1,669.17 |
| TOTAL EQUITY & LIABILITIES | | 7,136.20 | 6,114.42 | 7,148.56 |

Corporate Information, Basis of Preparation & Significant Accounting Policies 1 to 3

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For M. H. Dalal & Associates
Chartered Accountants
Firm Registration Number: 112449W

Sd/-
Yogesh Shah
Managing Director
DIN: 00169189

Sd/-
Prakash Shah
Executive Director
DIN: 01660194

Sd/-
Devang M. Dalal
Partner
Membership Number: 109049

Sd/-
Jigar Shah
Chief Financial Officer

Sd/-
Nipa Thakker
Company Secretary

Place: Mumbai
Date: 29th May, 2018

Place: Mumbai
Date: 29th May, 2018

VEER ENERGY & INFRASTRUCTURE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

| | | Rs. In Lakhs | |
|---|----------|--------------------------------------|--------------------------------------|
| | Note No. | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
| INCOME | | | |
| Revenue from operations | 25 | 1,418.69 | 1,771.75 |
| Other income | 26 | 166.89 | 132.62 |
| TOTAL INCOME | | 1,585.58 | 1,904.37 |
| EXPENSES | | | |
| Purchase of Stock in Trade | - | 1,531.22 | 1,895.65 |
| Changes in inventories of raw material and work in progress | 27 | -573.91 | -494.55 |
| Employee benefits expense | 28 | 111.39 | 111.52 |
| Finance Costs | 29 | 10.22 | 47.94 |
| Depreciation and amortization expenses | 4 | 104.74 | 100.50 |
| Other expenses | 30 | 184.84 | 139.51 |
| TOTAL EXPENSES | | 1,368.50 | 1,800.58 |
| Profit before tax | | 217.08 | 103.79 |
| Income tax expense | | | |
| Current tax | | 46.07 | 21.35 |
| Deferred tax | | -84.03 | -37.00 |
| Total tax expenses | | -37.96 | -15.65 |
| Profit for the year | | 255.03 | 119.44 |
| Other Comprehensive Income | | | |
| Items that will not be re-classified to Profit or Loss | | | |
| Re-measurement gains on post employment benefit plans | | 0.08 | 0.55 |
| Other Comprehensive Income for the year | | 0.08 | 0.55 |
| Total Comprehensive Income for the year | | 255.11 | 119.99 |
| Earnings Per Equity Share (Basic) | | 2.22 | 1.52 |
| Earnings Per Equity Share (Diluted) | 31 | 2.04 | 1.19 |
| Corporate Information, Basis of Preparation & Significant Accounting Policies | 1 to 3 | | |

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For M. H. Dalal & Associates
Chartered Accountants
Firm Registration Number: 112449W

Sd/-
Devang M. Dalal
Partner
Membership Number: 109049

Place: Mumbai
Date: 29th May, 2018

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Yogesh Shah
Managing Director
DIN: 00169189

Sd/-
Jigar Shah
Chief Financial Officer

Place: Mumbai
Date: 29th May, 2018

Sd/-
Prakash Shah
Executive Director
DIN: 01660194

Sd/-
Nipa Thakker
Company Secretary

VEER ENERGY & INFRASTRUCTURE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

| | 2017-18 | 2016-17 |
|--|-----------------|-------------------|
| | Rs. In Lakhs | Rs. In Lakhs |
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit Before Tax | 217.08 | 103.79 |
| Adjustments for: | | |
| Depreciation and amortization | 104.74 | 100.50 |
| Interest and finance charges | 10.22 | 47.94 |
| Other Comprehensive Income | 0.08 | 0.55 |
| Other Income | (166.89) | (118.60) |
| Operating Profit before Working Capital Changes | 165.23 | 134.18 |
| Adjustments for changes in working capital : | | |
| (Increase) / Decrease in financial assets - Others | 319.68 | (1,256.55) |
| (Increase) / Decrease in Other Non-current assets | (37.97) | 14.13 |
| Increase in inventories | (573.91) | (494.55) |
| (Increase)/decrease in Trade Receivables | 154.34 | (53.08) |
| (Increase)/decrease in Financial assets - loans | (924.38) | (118.96) |
| (Increase)/decrease in current tax assets | 27.41 | (35.04) |
| (Increase)/decrease in other current assets | (76.50) | 61.77 |
| Increase/(decrease) in provisions - Non Current | (0.79) | (11.93) |
| Increase/(decrease) in financial liabilities - Current | 49.18 | (626.29) |
| Increase /(Decrease) in Trade Payables | 103.25 | (536.42) |
| Increase /(Decrease) in Other Financial Liabilities - Current | - | (405.66) |
| Decrease in Other Current Liabilities - Current | (2.81) | (10.08) |
| Increase/(decrease) in provisions - Current | 2.25 | 16.02 |
| Cash Generated from Operations | (795.02) | (3,322.46) |
| Income taxes paid | (61.24) | (21.25) |
| Net Cashflow from Operating Activities | (856.26) | (3,343.71) |
| (B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | (22.91) | (110.48) |
| Sale of Non Current Investments | - | 2,931.85 |
| Interest received | 166.89 | 118.60 |
| Net Cashflow from Investing Activities | 143.98 | 2,939.96 |
| (C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase/(decrease) in financial liabilities - Non Current | (23.48) | (163.51) |
| Increase/(decrease) in other financial liabilities - Non Current | (67.02) | 329.55 |
| Additions in Share Capital | 364.67 | 75.00 |
| Net Increase in Other Equity | 440.61 | 216.08 |
| Interest and finance charges | (10.22) | (47.94) |
| Net Cashflow from Financing Activities | 704.57 | 409.18 |
| Net Increase/(Decrease) in Cash and Cash Equivalents | (7.72) | 5.43 |
| Cash and bank balances at the beginning of the year | 14.21 | 8.78 |
| Cash and bank balances at the end of the year | 6.49 | 14.21 |

NOTES:

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- 2) Figures in bracket indicate cash outflow.

Cash and cash equivalents comprises:

| DETAIL OF CASH AND CASH EQUIVALENTS | As at 31-03-2018 Rs. In Lakhs | As at 31-03-2017 Rs. In Lakhs |
|-------------------------------------|----------------------------------|----------------------------------|
| Balances with banks | | |
| In current accounts | 0.95 | 3.34 |
| On dividend account | 2.99 | 2.99 |
| Cash on hand | 2.55 | 4.55 |
| Bank guarantee facility | - | 3.34 |
| | 6.49 | 14.21 |

"As per our report of even date attached"

For M. H. Dalal & Associates

Chartered Accountants

Firm Registration Number: 112449W

Sd/-

Devang M. Dalal

Partner

Membership Number: 109049

Place: Mumbai

Date: 29th May, 2018

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Yogesh Shah

Managing Director

DIN: 00169189

Sd/-

Prakash Shah

Executive Director

DIN: 01660194

Sd/-

Jigar Shah

Chief Financial Officer

Sd/-

Nipa Thakker

Company Secretary

Place: Mumbai

Date: 29th May, 2018

VEER ENERGY & INFRASTRUCTURE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018
(A) EQUITY SHARE CAPITAL
For the year ended 31st March, 2018

(Rs. In Lakhs)

| Balance as at 1st April, 2017 | Changes during the year | Balance as at 31st March, 2018 |
|-------------------------------|-------------------------|--------------------------------|
| 786.33 | 364.67 | 1,151.00 |

For the year ended 31st March, 2017

| Balance as at 1st April, 2016 | Changes during the year | Balance as at 31st March, 2017 |
|-------------------------------|-------------------------|--------------------------------|
| 711.33 | 75.00 | 786.33 |

(B) OTHER EQUITY
For the year ended 31st March, 2018

| Particulars | General Reserve | Securities Premium | Retained Earnings | FVOCI Reserve | Money received against share warrants | Total Equity |
|--|-----------------|--------------------|-------------------|---------------|---------------------------------------|-----------------|
| Balance as at 1st April, 2017 | 100.00 | 1,987.24 | 2,005.14 | 0.55 | 146.14 | 4,239.07 |
| Profit for the year | - | - | 255.03 | - | - | 255.03 |
| Movement during the year | - | 502.85 | 15.16 | - | (77.40) | 440.61 |
| Other Comprehensive income for the year <i>Remeasurements gain on defined benefit plans</i> | - | - | - | 0.08 | - | 0.08 |
| Balance as at 31st March, 2018 | 100.00 | 2,490.09 | 2,275.33 | 0.63 | 68.74 | 4,934.79 |

For the year ended 31st March, 2017

| Particulars | General Reserve | Securities Premium | Retained Earnings | FVOCI Reserve | Money received against share warrants | Total Equity |
|--|-----------------|--------------------|-------------------|---------------|---------------------------------------|-----------------|
| Balance as at 1st April, 2016 | 100.00 | 1,865.93 | 1,937.07 | - | - | 3,903.00 |
| Profit for the year | - | - | 119.44 | - | - | 119.44 |
| Movement during the year | - | 121.31 | (51.37) | - | 146.14 | 216.08 |
| Other Comprehensive income for the year <i>Remeasurements gain on defined benefit plans</i> | - | - | - | 0.55 | - | 0.55 |
| Balance as at 31st March, 2017 | 100.00 | 1,987.24 | 2,005.14 | 0.55 | 146.14 | 4,239.07 |

1. CORPORATE INFORMATION:

Veer Energy & Infrastructure Limited (“the Company”) is a public limited company incorporated and domiciled in India. It is engaged in the business of implementation and operation of large scale projects in the renewable energy sector. It is also one of the India’s leading renewable energy Company with the expertise to provide services, across the India, to develop, construct and operate projects that contribute to goal of a low carbon and sustainable future. The Company’s equity share is listed on the Bombay Stock Exchange.

The standalone financial statements are approved for issue by the Company’s Board of Directors on 29th May 2018.

2. BASIS OF PREPARATION AND PRESENTATION OF STANDALONE FINANCIAL STATEMENTS:

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2016 as amended by the Companies (Indian Accounting standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April 2017.

For all period, up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These Financial statements for the year ended 31st March 2018 are the first, the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities, defined benefits plans, contingent consideration and Assets held for sale, which have been measured at fair value. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires changes in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a. Expected to be realized or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realized within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Use of Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use, along with effects of foreign exchange contracts. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment.

Tangible Fixed Assets:

Depreciation is charged as per straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods, if any.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction/ acquisition to be capitalized. All other expenses including interest incurred during construction / acquisition period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period. All these expenses are transferred to fixed assets on commencement of respective projects.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.3 Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. In case of items which are covered by forward exchange contract, the difference between year end rate and rate on the date of the contract is recognised as exchange difference and premium paid on forward contracts and option contract is recognised over the life of the contract. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Goods & Service Tax (GST), Value Added Tax/Service Tax is not received by the Company on its own account. Rather, it is tax collected on value added to the services by the Company on behalf of the government. Accordingly, it is excluded from revenue. The specific recognition criteria described below must also be met before revenue is recognized.

(i) Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are met:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the Goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that economic benefits associated with the transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably

(ii) Rendering of services:

Revenue from services is recognized based on the services rendered in accordance with the terms of contracts.

(iii) Interest income:

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income be measured reliably. Interest income is accrued on a time basis, be reference to the amortised cost and the Effective Interest Rate (EIR) applicable.

(iv) Dividend income:

Dividend income from investments is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

(v) Other income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

a. Initial recognition and measurement:

All financial assets are recognized initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the initial cost of such asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company commits to purchase or sell the asset.

b. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss statement.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Derecognition:

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

d. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Lease receivables under Ind AS 17
- e. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets

and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used to provide impairment. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

ii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iii. Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

c. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted [unadjusted] market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.7 Inventories:

Inventories are stated at the lower of cost and net realizable value. Cost is determined on actual cost determined on First-In-First-Out (FIFO) basis. Net realizable value represents the estimated selling price for inventories less all costs necessary to make the sale.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.8 Employee benefits

a. Short-term obligation:

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of period in which the employee render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. Employee benefits are recognized as expense at undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

b. Post employee obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund

(i) Gratuity obligations:

The liability or asset recognized in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is determined at the yearend by independent actuary using the projected unit credit method.

The present value of the defined obligation denominated in Indian Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Actuarial gains and losses in respect of post employment and other long term benefits are debited / credited to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the profit and loss in the subsequent periods.

(ii) Defined contribution plans:

Provident fund:

The Company pays contributions towards provident fund to the regulatory authorities as per regulations. The contributions are recognized as employee benefit expense when they are due.

c. Bonus plans

The Company recognise a liability and an expense for bonuses. The Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

3.9 Income Tax

Income tax expense comprises current and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is "realized or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the" reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.11 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

3.12 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.13 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.14 New standards/amendments to existing standards issued but not yet adopted

Ind AS 115 Revenue from Contracts with Customers

The Ministry of Corporate Affairs (MCA) has notified the companies (Indian accounting Standards) Amendments Rules, 2018 on March 28, 2018 notifying Ind AS 115 Revenue from Contracts with Customers

These amendments are in accordance with the recent amendments Made by International Accounting Standards Board (IASB).

Ind AS 115 replaces Ind AS 18 which covers contracts for Goods & Services and Ind AS 11 which covers construction contracts. The New standard is based on the principle that revenue is recognised when control of a goods or services transfers to customers – so the notion of control replaces the existing notion of risks and rewards.

It establishes a five-step model to account for revenue arising from contracts with customer. Under Ind AS 115 Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to the customers. The Company is in the process of analysing the impact of the new standard. This standard will come into force from accounting period commencing on or after April 01, 2018.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Company expects to have a material impact arising from its application in its financial statements.

3.15 Rounding of amounts

All amounts disclose in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

VEER ENERGY & INFRASTRUCTURE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

| 4 - PROPERTY, PLANT AND EQUIPMENT | (Rs. In Lakhs) | | | | | | | |
|--------------------------------------|------------------|---------------|--|-------------------------|---------------------|--------------|--------------|-----------------|
| | Freehold land | Buildings | Furniture, Fixtures and Furnishing | Plant and Equipments | Office Equipment | Computers | Vehicles | Total |
| Gross Block: | | | | | | | | |
| As at 1st April, 2016 | 127.08 | 262.11 | 29.61 | 1,564.26 | 21.98 | 7.91 | 34.92 | 2,047.88 |
| Additions | - | - | - | 96.28 | 0.75 | 2.78 | 10.68 | 110.48 |
| As at 31st March, 2017 | 127.08 | 262.11 | 29.61 | 1,660.54 | 22.72 | 10.69 | 45.60 | 2,158.36 |
| Additions | - | - | 0.38 | 19.59 | 1.61 | 0.70 | 0.63 | 22.91 |
| As at 31st March, 2018 | 127.08 | 262.11 | 29.99 | 1,680.13 | 24.33 | 11.40 | 46.23 | 2,181.27 |
| Accumulated depreciation: | | | | | | | | |
| As at 1st April, 2016 | - | 22.63 | 12.85 | 407.47 | 5.98 | 7.56 | 19.76 | 476.25 |
| Depreciation charged during the year | - | 8.31 | 2.81 | 83.21 | 1.69 | 0.49 | 3.98 | 100.50 |
| As at 31st March, 2017 | - | 30.94 | 15.67 | 490.68 | 7.68 | 8.05 | 23.74 | 576.75 |
| Depreciation charged during the year | - | 8.31 | 2.84 | 87.74 | 1.42 | 0.99 | 3.44 | 104.74 |
| As at 31st March, 2018 | - | 39.24 | 18.51 | 578.42 | 9.10 | 9.05 | 27.18 | 681.49 |
| Net Block: | | | | | | | | |
| As at 1st April, 2016 | 127.08 | 239.48 | 16.75 | 1,156.79 | 16.00 | 0.35 | 15.17 | 1,571.63 |
| As at 31st March, 2017 | 127.08 | 231.17 | 13.94 | 1,169.86 | 15.05 | 2.64 | 21.86 | 1,581.61 |
| As at 31st March, 2018 | 127.08 | 222.86 | 11.48 | 1,101.71 | 15.24 | 2.35 | 19.05 | 1,499.78 |

VEER ENERGY & INFRASTRUCTURE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 5. NON CURRENT FINANCIAL ASSETS - INVESTMENTS | | | |
| Unquoted | | | |
| Investments at Cost | | | |
| A. Investment in Equity | | | |
| - Investment in Subsidiaries | - | - | 1,918.77 |
| B. Other Investments | 0.30 | 0.30 | 0.30 |
| | 0.30 | 0.30 | 1,919.07 |

Details of Investments:

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| Unquoted Investments: | | | |
| Investment in equity instruments | | | |
| Investment in subsidiary company (At cost) | | | |
| Shruti Power Projects Pvt Ltd | | | |
| Nil (March 31, 2017: Nil, April 01, 2016: 1,90,00,000) Equity shares of Rs. 10, fully paid | - | - | 1,900.00 |
| Veer Enterprise GmbH | | | |
| Nil (March 31, 2017: Nil, April 01, 2016: 18,77,000) Investment in Capital | - | - | 18.77 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 6 - NON - CURRENT FINANCIAL ASSETS - OTHERS | | | |
| Unsecured, considered good, unless otherwise stated | | | |
| Business Advances | 850.85 | 1,182.15 | - |
| Security Deposits | 213.91 | 202.29 | 127.89 |
| | 1,064.76 | 1,384.44 | 127.89 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 7 - NON - CURRENT ASSETS - OTHERS | | | |
| Deferred Security Deposits | 45.91 | 7.94 | 22.06 |
| | 45.91 | 7.94 | 22.06 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 8 - INVENTORIES | | | |
| Raw Material | 10.93 | 5.60 | 5.60 |
| Work-in-progress | 2,810.71 | 2,242.13 | 1,747.59 |
| | 2,821.64 | 2,247.73 | 1,753.19 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 9 - TRADE RECEIVABLES | | | |
| Unsecured | | | |
| Considered good | 345.51 | 499.85 | 446.78 |
| Considered doubtful | - | - | - |
| | 345.51 | 499.85 | 446.78 |
| Less: Provision for doubtful debts | - | - | - |
| | 345.51 | 499.85 | 446.78 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| 10 - CASH AND CASH EQUIVALENTS | | | |
| Balances with banks | | | |
| - In current accounts | 0.95 | 3.34 | 2.56 |
| Cash in hand | 2.55 | 4.55 | 3.02 |
| | 3.50 | 7.88 | 5.58 |
| 10A - BANK BALANCES OTHER THAN ABOVE | | | |
| Balances with banks | | | |
| - Earmarked balances with bank for unpaid dividends | 2.99 | 2.99 | - |
| - Bank Guarantee facility with HDFC Bank | - | 3.34 | 3.20 |
| | 2.99 | 6.33 | 3.20 |
| 11 - CURRENT FINANCIAL ASSETS - LOANS | | | |
| Loans to related parties | - | - | 1,013.08 |
| | - | - | 1,013.08 |
| 12 - CURRENT FINANCIAL ASSETS - OTHERS | | | |
| Unsecured, considered good, unless otherwise stated | | | |
| Advances recoverable in cash | 1,196.96 | 272.58 | 151.62 |
| Intercompany Deposits | - | - | 2.00 |
| | 1,196.96 | 272.58 | 153.62 |
| 13 - CURRENT TAX ASSETS (NET) | | | |
| Current Tax Assets (Net) | 70.81 | 98.22 | 63.17 |
| | 70.81 | 98.22 | 63.17 |
| 13A TAX EXPENSE | Year ended March 31, 2018 | Year ended March 31, 2017 | |
| Current Tax: | | | |
| Current Tax on profits for the year | 46.07 | 21.35 | |
| Deferred Tax: | | | |
| Decrease / (Increase) in Deferred Tax Assets | 0.89 | -0.39 | |
| (Decrease) / Increase in Deferred Tax Liabilities | -84.91 | -36.61 | |
| Income Tax Expenses | -37.95 | -15.65 | |
| Reconciliation of tax expense and accounting profit multiplied by statutory tax rate: | | | |
| Profit before income taxes | 217.08 | 103.79 | |
| Rate of Tax | 27.55 | 30.90 | |
| Tax Expense at applicable rate | 59.81 | 32.07 | |
| Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense: | | | |
| Expenses not deductible for tax purposes | 28.89 | 37.20 | |
| Expenses deductible for tax purposes | (23.10) | (27.79) | |
| Tax Holidays | (25.92) | (31.08) | |
| Others | (77.64) | (26.06) | |
| Income Tax Expenses | -37.95 | -15.65 | |
| 14 - CURRENT ASSETS - OTHERS | | | |
| Balance with statutory authorities | 84.04 | 7.54 | 69.30 |
| | 84.04 | 7.54 | 69.30 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| 15 - SHARE CAPITAL | | | |
| Authorised: | | | |
| 1,50,00,000 Equity Shares of Rs. 10 each (March 31, 2017: 1,50,00,000 Equity shares of Rs. 10/- each) (April 1, 2016: 1,50,00,000 Equity shares of Rs. 10/- each) | 1,500.00 | 1,500.00 | 1,500.00 |
| Issued, Subscribed and fully paid-up: | | | |
| 1,15,09,950 Equity Shares of Rs. 10 each fully paid up (March 31, 2017: 78,63,250 Equity shares of Rs. 10/- each) (April 1, 2016: 71,13,250 Equity shares of Rs. 10/- each) | 1,151.00 | 786.33 | 711.33 |
| | 1,151.00 | 786.33 | 711.33 |

(i) Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

| Particulars | As at 31-03-2018 | | As at 31-03-2017 | | As at 01-04-2016 | |
|-----------------------------|---------------------|-----------------|---------------------|----------------|---------------------|----------------|
| | No. of Shares | (Rs. In Lakhs) | No. of Shares | (Rs. In Lakhs) | No. of Shares | (Rs. In Lakhs) |
| Equity Shares | | | | | | |
| Opening Balance | 7,863,250 | 786.33 | 7,113,250 | 711.33 | 7,113,250 | 711.33 |
| Add: Issued during the year | 3,646,700 | 364.67 | 750,000 | 75.00 | - | - |
| Closing Balance | 11,509,950 | 1,151.00 | 7,863,250 | 786.33 | 7,113,250 | 711.33 |

(ii) Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

(iii) Number of Shares held by each shareholder holding more than 5% Shares in the company

| Name of Shareholder | As at 31-03-2018 | | As at 31-03-2017 | | As at 01-04-2016 | |
|----------------------------|---------------------|--------------|---------------------|--------------|---------------------|--------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding |
| Yogesh M. Shah | 2,621,565 | 22.78 | 2,371,565 | 30.16 | 2,121,565 | 29.83 |
| Albula Investment Fund Ltd | 600,000 | 5.21 | - | - | - | - |

(iv) During the 5 years immediately preceding March 31, 2018, there are no shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. Also, there are no shares allotted as fully paid up by way of bonus shares.

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 15A - OTHER EQUITY | | | |
| Securities Premium | | | |
| Opening balance | 1,987.24 | 1,865.93 | 1,865.93 |
| Add: Additions during the financial year | 507.44 | 127.50 | - |
| Less: Deductions during the financial year | (4.59) | -6.19 | - |
| Closing balance | 2,490.09 | 1,987.24 | 1,865.93 |
| General Reserve | 100.00 | 100.00 | 100.00 |
| Retained Earnings | | | |
| Opening balance | 2,005.14 | 1,937.07 | 1,780.57 |
| Opening balance | 255.03 | 119.44 | 103.97 |
| Adjustment of MAT Entitlement | 15.16 | - | - |
| Adjustments on account of Ind-AS | | | |
| - Adjustment of Proposed Dividends | - | (51.37) | 51.37 |
| - Fair Valuation of Financial Assets | - | - | (0.49) |
| - Fair Valuation of Financial Liabilities | - | - | 1.65 |
| - Remeasurement of Defined Benefit Obligations | - | - | - |
| Closing balance | 2,275.33 | 2,005.14 | 1,937.07 |
| FVOCI Reserve | | | |
| Opening balance | 0.55 | - | - |
| Add: Additions during the financial year | 0.08 | 0.55 | - |
| Closing balance | 0.63 | 0.55 | - |
| Money received against share warrants | 68.74 | 146.14 | - |
| Total | 4,934.79 | 4,239.07 | 3,903.00 |

| 16 - NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|--|--|--|
| Secured loans from banks | | | |
| - Term Loans* | 45.46 | 68.94 | 224.44 |
| - Vehicle Loan [#] | - | - | 8.01 |
| | 45.46 | 68.94 | 232.45 |

a. Nature of Security:

* It is primarily secured by hypothecation of stock, book debts and plant machineries acquired through term loan and also equitable mortgage of certain properties as a collateral security.

It is secured against hypothecation of vehicle.

| 17 - NON - CURRENT - OTHER FINANCIAL LIABILITIES | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---|--|--|--|
| Factory Deposits | - | 50.00 | 300.00 |
| Other Deposits | 562.64 | 579.65 | - |
| | 562.64 | 629.65 | 300.00 |

| 18 - NON - CURRENT PROVISIONS | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|--|--|--|
| Provision for employee benefit of gratuity | 8.26 | 9.04 | 20.97 |
| | 8.26 | 9.04 | 20.97 |

| 19 - DEFERRED TAX LIABILITIES (NET) | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|--|--|--|
| Deferred Tax Liabilities | 197.26 | 282.17 | 318.78 |
| Deferred Tax Assets | 6.63 | 7.52 | 7.13 |
| Deferred Tax Liabilities (Net) | 190.63 | 274.65 | 311.65 |
| MAT Credit Entitlement | 15.17 | - | - |
| | 15.17 | - | - |
| | 175.46 | 274.65 | 311.65 |

| 20 - CURRENT FINANCIAL LIABILITIES - BORROWINGS | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|--|--|--|
| Secured loans from banks | | | |
| - Term Loans* | 21.58 | 94.58 | |
| - Vehicle Loan [#] | 1.94 | 2.85 | |
| - Overdraft Facilities* | 10.12 | (112.97) | 291.09 |
| Unsecured loans from related parties | | | |
| - Directors | - | - | 129.00 |
| Others | | | |
| - Inter Corporate Loans | - | - | 190.66 |
| | 33.64 | (15.54) | 610.75 |

a. Nature of Security

* It is primarily secured by hypothecation of stock, book debts and plant machineries acquired through term loan and also equitable mortgage of certain properties as a collateral security.

It is secured against hypothecation of vehicle.

| 21 - CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|--|--|--|
| Due to other than micro and small enterprises | 198.66 | 95.41 | 631.83 |
| | 198.66 | 95.41 | 631.83 |

a. Disclosure under Section 22 of Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as under:

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

- (a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;
- (b) Interest paid during the year;
- (c) Amount of payment made to the supplier beyond the appointed day during accounting year;
- (d) Interest due and payable for the period of delay in making payment;
- (e) Interest accrued and unpaid at the end of the accounting year; and
- (f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise;

have not been given.

The information is given in respect of such vendors to the extent they could be identified as micro and small enterprise on the basis of information available with the Company.

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| 22 - CURRENT - OTHER FINANCIAL LIABILITIES | | | |
| Unpaid/unclaimed dividend | 2.99 | 2.99 | - |
| Other Payables | - | - | 408.65 |
| | 2.99 | 2.99 | 408.65 |

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as on March 31, 2018 (March 31, 2017: Nil, April 1, 2016: Nil).

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 23 - OTHER CURRENT LIABILITIES | | | |
| Statutory liabilities | 5.04 | 7.85 | 17.94 |
| Others | - | - | - |
| | 5.04 | 7.85 | 17.94 |

| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 24- SHORT TERM PROVISIONS | | | |
| Provision for employee benefit of gratuity | 18.27 | 16.02 | - |
| | 18.27 | 16.02 | - |

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|-------------------------------------|---------------------------|---------------------------|
| 25 - REVENUE FROM OPERATIONS | | |
| Sales of Infrastructure Products | 975.49 | 1,410.37 |
| Sales of Services | 65.64 | 126.49 |
| Sales-Engineering Division | 355.46 | 134.33 |
| Sales-Export | 22.10 | - |
| Other Operating Income | - | 100.57 |
| | 1,418.69 | 1,771.75 |

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|---|---------------------------|---------------------------|
| 26 - OTHER INCOME | | |
| Interest | 51.62 | 10.04 |
| Export Incentives | 0.40 | - |
| Unwinding of Interest on Financial Assets | 18.22 | 14.02 |
| Other Income | 2.59 | 0.72 |
| Other Non operating Income-Power Generation | 94.06 | 107.84 |
| | 166.89 | 132.62 |

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|---|---------------------------|---------------------------|
| 27 - CHANGES IN INVENTORIES OF RAW MATERIAL AND WORK IN PROGRESS | | |
| (a) Opening Inventories | | |
| Raw material | 5.60 | 5.60 |
| Work-in-progress | 2,242.13 | 1,747.59 |
| | 2,247.73 | 1,753.19 |
| (b) Closing Inventories | | |
| Raw material | 10.93 | 5.60 |
| Work-in-progress | 2,810.71 | 2,242.13 |
| | 2,821.64 | 2,247.73 |
| (a) - (b) | (573.91) | (494.55) |

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|---|---------------------------|---------------------------|
| 28 - EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, Wages, Bonus, Gratuities & Allowances | 104.80 | 98.93 |
| Contribution to provident and other funds | 3.46 | 4.18 |
| Staff welfare expense | 3.13 | 8.41 |
| | 111.39 | 111.52 |

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|---------------------------|---------------------------|---------------------------|
| 29 - FINANCE COSTS | | |
| Interest expenses | 5.24 | 42.68 |
| Other borrowing costs | 4.97 | 5.26 |
| | 10.22 | 47.94 |

| 30 - OTHER EXPENSES | 2017-18 | 2016-17 |
|---|-----------------------|-----------------------|
| | (Rs. In Lakhs) | (Rs. In Lakhs) |
| Clearing , forwarding, packing, freight, loading etc. | 2.41 | 2.76 |
| Getco/GEDA/MEDA Liasoning Fees | 12.74 | 0.24 |
| Repairs & maintenance | 3.71 | 4.09 |
| Rent | 11.04 | 8.64 |
| VAT/CST/Ser. Tax paid | 1.09 | 7.63 |
| Land Survey / Lease Rent | 0.00 | 4.70 |
| Petroleum, Power & Fuel | 5.61 | 7.21 |
| Security Charges | 5.48 | 14.35 |
| Insurance | 5.47 | 7.14 |
| Advertisement, publicity & sales promotion | 0.22 | 8.29 |
| Travelling & other incidental expenses | 12.81 | 9.57 |
| Office maintenance | 1.75 | 4.98 |
| Vehicle running & maintenance | 1.41 | 2.88 |
| Printing & stationery | 0.51 | 0.58 |
| Communication Expense | 1.88 | 3.93 |
| Donation-CSR Expenses | - | 15.00 |
| Payment to Auditors** | 1.50 | 1.50 |
| Legal, professtional & consultancy charges | 5.78 | 8.81 |
| Commission | 16.30 | 3.30 |
| Discount | 0.63 | 0.28 |
| Listing/custodian Exp. Fees | 13.52 | 7.16 |
| Miscellaneous expenses | 1.44 | 2.00 |
| Bad debts/irrecoverable advances written off | 60.58 | - |
| Deferred Expense on Financial Instruments | 18.97 | 14.48 |
| | 184.84 | 139.51 |
| ** Payment to Auditors | | |
| - as auditors | 1.00 | 1.00 |
| - for tax audit | 0.25 | 0.25 |
| - for certification / limited review | 0.25 | 0.25 |
| 31 - EARNINGS PER EQUITY SHARE | 2017-18 | 2016-17 |
| | (Rs. In Lakhs) | (Rs. In Lakhs) |
| Profit available for equity shareholders | 255.03 | 119.44 |
| Weighted average numbers of equity shares outstanding | 11,509,950 | 7,863,250 |
| Share Warrant | 1,018,300 | 2,165,000 |
| Nominal value per equity share (in Rupees) | 10.00 | 10.00 |
| Earnings Per Equity Share- Basic (in Rupees) | 2.22 | 1.52 |
| Earnings Per Equity Share- Diluted (in Rupees) | 2.04 | 1.19 |

32 - CONTINGENT LIABILITIES

| | As at 31-03-2018 | As at 31-03-2017 | As at 01-04-2016 |
|--|---------------------|---------------------|---------------------|
| CONTINGENT LIABILITIES | | | |
| Income tax demand / liabilities not provided for the Assessment Year 2014-15 | 284.17 | 284.17 | 284.17 |

Note:

- (a) It is not practicable to estimate the timing of cash outflows, in respect of matters stated above, due to pending resolution of the proceedings.

33 - SEGMENT REPORTING

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based upon analysis of various performance indicators by the Operating Segments. The Company's CODM constitutes of managing director, whole-time director and chief financial officer.

The Company has one segment of activity namely 'Infrastructure'. The Company's operations are limited to India only and its all assets are domiciled in India, there are no reportable geographical segments.

34 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:-

(a) Defined contribution plans

-Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 2.67 lakhs (Previous Year Rs. 3.36 lakhs)

(b) Defined benefit plans

- Gratuity

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

Economic Assumptions

The discount rate and salary increases assumed are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 7.73% p.a. (Previous Year 7.55% p.a.) compound has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

The assumptions used are summarized in the following table:

| | Gratuity (Unfunded) | |
|---------------------------|----------------------------|---------------------|
| | As at 31-03-2018 | As at 31-03-2017 |
| Discount rate (per annum) | 7.73% | 7.55% |
| Future salary increase | 5.00% | 5.00% |
| Mortality Rates | 100.00% | 100.00% |
| Retirement age | 60 years | 60 years |
| Withdrawal rates | | |
| - Up to 30 years | 20.00% | 5.00% |
| - From 31 to 44 years | 15.00% | 5.00% |
| - Above 44 years | 10.00% | 5.00% |

| | Gratuity (Unfunded) | |
|--|---------------------------------------|---------------------------------------|
| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) |
| Change in present value of the defined benefit obligation during the year | | |
| Present value of obligation as at the beginning of the year | 25.06 | 20.97 |
| Interest Cost | 1.89 | 1.68 |
| Current Service Cost | 2.57 | 2.96 |
| Past Service Cost | 0.63 | - |
| Benefits Paid | (3.54) | - |
| Actuarial (Gain)/Loss on arising from Change in Financial Assumption | (2.61) | 0.91 |
| Actuarial (Gain)/Loss on arising from Experience Adjustment | 2.54 | (1.46) |
| Present value of obligation as at the end of the year | 26.53 | 25.06 |
| Net Liability recorded in the Balance Sheet | | |
| Present value of obligation as at the end of the year | 26.53 | 25.06 |
| Net Liability - Current | 18.27 | 16.02 |
| Net Liability - Non-Current | 8.26 | 9.04 |
| Expenses recorded in the Statement of Profit & Loss during the year | | |
| Interest Cost | 1.89 | 1.68 |
| Current Service Cost | 2.57 | 2.96 |
| Total expenses included in employee benefit expenses | 4.46 | 4.64 |
| Recognized in Other Comprehensive Income during the year | | |
| Actuarial (Gain)/Loss on arising from Change in Financial Assumption | (2.61) | 0.91 |
| Actuarial (Gain)/Loss on arising from Experience Adjustment | 2.54 | -1.46 |
| Recognized in Other Comprehensive Income | -0.08 | (0.55) |
| Maturity profile of defined benefit obligation | | |
| Within 12 months of the reporting period | 21.49 | 16.93 |
| Between 2 and 5 years | 10.58 | 2.55 |
| Between 6 and 10 years | - | - |
| Quantitative sensitivity analysis for significant assumption is as below: | | |
| Increase/ (decrease) on present value of defined benefit obligation at the end of the year | | |
| Half percentage point increase in discount rate | (0.05) | (0.06) |
| Half percentage point decrease in discount rate | 0.05 | 0.06 |
| Half percentage point increase in salary increase rate | 0.03 | 0.04 |
| Half percentage point decrease in salary decrease rate | (0.03) | (0.04) |
| Expected contribution to the defined benefit plan for the next reporting period | | |
| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
| Expected contribution to the defined benefit plan for the next reporting period (Gratuity) | 4.79 | 5.32 |

35 - CORPORATE SOCIAL RESPONSIBILITY

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL)

36 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24
(a) Related Parties

- Subsidiaries

- Key Management Personnel

| | |
|---------------------|-------------------------|
| Mr. Yogesh M. Shah | Managing Director |
| Mr. Prakash C. Shah | Executive Director |
| Mr. Nilay P. Shah | Executive Director |
| Mr. Jigar J. Shah | Chief Financial Officer |
| Ms. Nipa Thakker | Company Secretary |

- Relative of Key Management Personnel

| | |
|------------------|----------------|
| Ms. Krupa Y Shah | Daughter of MD |
|------------------|----------------|

- Entities controlled by Directors or their relatives

(with whom transactions entered into during the financial year)

| Sr. no | 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 |

(b) Transactions with related parties:

| | Key Management Personnel and their relatives | | Entities controlled by Directors or their relatives | | Total | |
|-------------------------------|--|---------------------------|---|---------------------------|---------------------------|---------------------------|
| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
| Sale of Machinery | - | - | 136.91 | - | 136.91 | - |
| Factory Deposit Returned Back | - | - | 50.00 | - | 50.00 | - |
| Salaries Paid | 13.25 | 5.42 | - | - | 13.25 | 5.42 |
| Remuneration | 35.10 | 38.35 | - | - | 35.10 | 38.35 |
| Loan given | - | - | - | 965.00 | - | 965.00 |

Balance Outstanding

| | Payable | | | Receivable | | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) | As at 31-03-2018 (Rs. In Lakhs) | As at 31-03-2017 (Rs. In Lakhs) | As at 01-04-2016 (Rs. In Lakhs) |
| Entities controlled by Directors or their relatives | - | - | - | - | 975.18 | 989.96 |
| Total | - | - | - | - | 975.18 | 989.96 |

Note:

(i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

(ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

(c) Disclosure in respect of related party-wise transactions

| | 2017-18 (Rs. In Lakhs) | 2016-17 (Rs. In Lakhs) |
|--|---------------------------|---------------------------|
| Sale of Machinery | | |
| M/s Veerhealth Care Ltd. | 136.91 | - |
| Salaries | | |
| Mr. Jigar J Shah | 7.20 | - |
| Mrs. Nipa Thakker | 2.80 | - |
| Ms. Krupa Y. Shah | 3.25 | 3.25 |
| Ms. Nipa Shah | - | 2.17 |
| Remuneration | | |
| Mr. Yogesh M. Shah | 16.25 | 19.50 |
| Mr. Prakash Shah | 9.75 | 9.75 |
| Mr. Nilay Shah | 9.10 | 9.10 |
| Loan Given | | |
| M/s. Shruti Power Projects Pvt. Ltd | - | 965.00 |
| Security Deposit Refunded (Interest free) | | |
| M/s Veerhealth Care Ltd. | 50.00 | - |

Balance Outstanding

| | Payable | | | Receivable | | |
|-------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | As at | As at | As at | As at | As at | As at |
| | 31-03-2018 (Rs. In Lakhs) | 31-03-2017 (Rs. In Lakhs) | 01-04-2016 (Rs. In Lakhs) | 31-03-2018 (Rs. In Lakhs) | 31-03-2017 (Rs. In Lakhs) | 01-04-2016 (Rs. In Lakhs) |
| M/s. Daanish Engineering | - | - | - | - | 1.03 | 24.96 |
| M/s. Shruti Power Projects Pvt. Ltd | | | | | 974.15 | 965.00 |

37 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

I. Figures as at April 01, 2016

| Financial Instrument | Carrying Amount | Fair Value | | | | Fair Value Hierarchy | | | |
|---|-----------------|----------------|-------|-------|------------------|----------------------|---------|---------------|---------------|
| | | Amortised Cost | FVOCI | FVTPL | Total Fair Value | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Investments | 1,919.07 | - | - | - | - | - | - | - | - |
| (ii) Others | - | 127.89 | - | - | 127.89 | - | - | 127.89 | 127.89 |
| Current | | | | | | | | | |
| (i) Trade Receivables | 446.78 | - | - | - | - | - | - | - | - |
| (ii) Cash and Cash Equivalents | 5.58 | - | - | - | - | - | - | - | - |
| (iii) Bank balances other than (ii) above | 3.20 | - | - | - | - | - | - | - | - |
| (iv) Loan | 1,013.08 | - | - | - | - | - | - | - | - |
| (v) Others | 153.62 | - | - | - | - | - | - | - | - |
| TOTAL | 3,541.32 | 127.89 | - | - | 127.89 | - | - | 127.89 | 127.89 |
| Financial Liabilities | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Borrowings | 8.01 | 224.44 | - | - | 224.44 | - | - | 224.44 | 224.44 |
| (ii) Other Financial Liabilities | 300.00 | - | - | - | - | - | - | - | - |
| Current | | | | | | | | | |
| (i) Borrowings | 610.75 | - | - | - | - | - | - | - | - |
| (ii) Trade Payables | 631.83 | - | - | - | - | - | - | - | - |
| (iii) Other Financial Liabilities | 408.65 | - | - | - | - | - | - | - | - |
| TOTAL | 1,959.24 | 224.44 | - | - | 224.44 | - | - | 224.44 | 224.44 |

II. Figures as at March 31, 2017

| Financial Instrument | Carrying Amount | Fair Value | | | | Fair Value Hierarchy | | | |
|---|-----------------|----------------|-------|-------|------------------|----------------------|---------|---------------|---------------|
| | | Amortised Cost | FVOCI | FVTPL | Total Fair Value | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Investments | 0.30 | - | - | - | - | - | - | - | - |
| (ii) Others | 1,182.15 | 202.29 | - | - | 202.29 | - | - | 202.29 | 202.29 |
| Current | | | | | | | | | |
| (i) Trade Receivables | 499.85 | - | - | - | - | - | - | - | - |
| (ii) Cash and Cash Equivalents | 7.88 | - | - | - | - | - | - | - | - |
| (iii) Bank balances other than (ii) above | 6.33 | - | - | - | - | - | - | - | - |
| (v) Others | 272.58 | - | - | - | - | - | - | - | - |
| TOTAL | 1,969.10 | 202.29 | - | - | 202.29 | - | - | 202.29 | 202.29 |
| Financial Liabilities | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Borrowings | - | 68.94 | - | - | 68.94 | - | - | 68.94 | 68.94 |
| (ii) Other Financial Liabilities | 629.65 | - | - | - | - | - | - | - | - |
| Current | | | | | | | | | |
| (i) Borrowings | -15.54 | - | - | - | - | - | - | - | - |
| (ii) Trade Payables | 95.41 | - | - | - | - | - | - | - | - |
| (iii) Other Financial Liabilities | 2.99 | - | - | - | - | - | - | - | - |
| TOTAL | 712.52 | 68.94 | - | - | 68.94 | - | - | 68.94 | 68.94 |

37 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

III. Figures as at March 31, 2018

| Financial Instrument | Carrying Amount | Fair Value | | | | Fair Value Hierarchy | | | |
|---|-----------------|----------------|-------|-------|------------------|----------------------|---------|---------------|---------------|
| | | Amortised Cost | FVOCI | FVTPL | Total Fair Value | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Investments | 0.30 | - | - | - | - | - | - | - | - |
| (ii) Others | 850.85 | 213.91 | - | - | 213.91 | - | - | 213.91 | 213.91 |
| Current | | | | | | | | | |
| (i) Trade Receivables | 345.51 | - | - | - | - | - | - | - | - |
| (ii) Cash and Cash Equivalents | 3.50 | - | - | - | - | - | - | - | - |
| (iii) Bank balances other than (ii) above | 2.99 | - | - | - | - | - | - | - | - |
| (v) Others | 1,196.96 | - | - | - | - | - | - | - | - |
| TOTAL | 2,400.11 | 213.91 | - | - | 213.91 | - | - | 213.91 | 213.91 |
| Financial Liabilities | | | | | | | | | |
| Non Current | | | | | | | | | |
| (i) Borrowings | - | 45.46 | - | - | 45.46 | - | - | 45.46 | 45.46 |
| (ii) Other Financial Liabilities | 562.64 | - | - | - | - | - | - | - | - |
| Current | | | | | | | | | |
| (i) Borrowings | 33.64 | - | - | - | - | - | - | - | - |
| (ii) Trade Payables | 198.66 | - | - | - | - | - | - | - | - |
| (iii) Other Financial Liabilities | 2.99 | - | - | - | - | - | - | - | - |
| TOTAL | 797.93 | 45.46 | - | - | 45.46 | - | - | 45.46 | 45.46 |

During the reporting period ending March 31, 2017 and March 31, 2016, there were no transfers between Level 1 and Level 2 fair value measurements.

IV. Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for the financial instruments

| | As at 31-03-18 | As at 31-03-17 | As at 1-04-2016 |
|------------------------------------|-------------------|-------------------|--------------------|
| Other Non-Current Financial Assets | | | |
| Borrowings (Non-Current) | | | |

Discounted Cash Flow method using the risk adjusted discount rate

No, financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a Board of Directors, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company's borrowings are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Foreign currency risk

The Company operates locally. The nature of its operations does not require it to transact in several currencies and consequently the Company is not exposed to foreign exchange risk in various foreign currencies.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

| Particulars | (Rs. In lakhs) | | |
|-------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2018 | As at 31-03-2017 | As at 01-04-2016 |
| Business Advances | 850.85 | 1,182.15 | - |
| Security Deposits | 213.91 | 202.29 | 127.89 |
| Other Advances | 1,196.96 | 272.58 | 151.62 |
| Total (A) | 2,261.72 | 1,657.02 | 279.51 |

II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

| Particulars | (Rs. In lakhs) | | |
|-------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2018 | As at 31-03-2017 | As at 01-04-2016 |
| Trade Receivables | 345.51 | 499.85 | 446.78 |
| Total (A) | 345.51 | 499.85 | 446.78 |

III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

(Rs. In lakhs)

| Particulars | As at | As at | As at |
|---|---------------|---------------|---------------|
| | 31-03-2018 | 31-03-2017 | 01-04-2016 |
| Less than 6 months overdue | 287.65 | 346.44 | 326.25 |
| More than 6 months but within 12 months overdue | 38.85 | 115.18 | 92.71 |
| More than 1 year overdue | 19.01 | 38.23 | 27.52 |
| Total | 345.51 | 499.85 | 446.48 |

IV. Provision for expected credit losses again "II" and "III" above

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

| Particulars | As at 31-03-2018 | | | As at 31-03-2017 | | | As at 31-03-2017 | | |
|---------------|------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|-----------------|
| | Less than 1 year | 1 to 5 years | Total | Less than 1 year | 1 to 5 years | Total | Less than 1 year | 1 to 5 years | Total |
| Borrowings | 33.64 | 45.46 | 79.10 | -15.54 | 68.94 | 53.41 | 610.75 | 232.45 | 843.20 |
| Trade Paybles | 198.66 | - | 198.66 | 95.41 | - | 95.41 | 631.83 | - | 631.83 |
| Others | 2.99 | 562.64 | 565.63 | 2.99 | 629.65 | 632.65 | 408.65 | 300.00 | 708.65 |
| Total | 235.29 | 608.10 | 843.39 | 82.86 | 698.60 | 781.46 | 1,651.23 | 532.45 | 2,183.68 |

Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

| Particulars | As at | As at | As at |
|-------------------------------|-----------------|-----------------|-----------------|
| | 31-03-2018 | 31-03-2017 | 01-04-2016 |
| Total Debt | 79.10 | 53.41 | 843.20 |
| Equity | 6,085.79 | 5,025.39 | 4,614.32 |
| Capital and total debt | 6,164.89 | 5,078.80 | 5,457.52 |
| Gearing ratio | 1.28% | 1.05% | 15.45% |

39 - FIRST TIME ADOPTION OF IND AS

First-time Adoption of Ind AS

The company has prepared its first Financial Statements in accordance with Ind AS for the year ended March 31, 2018. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2017 (the date of transition to Ind AS).

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet at April 01, 2016 (the Company's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2018, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 01, 2016 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2016, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following notes and reconciliations.

I. Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

A) Deemed cost:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying values.

B) Leases:

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

C) Designation of previously recognised financial instruments:

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

D) Estimates:

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP [after adjustments to reflect any difference in accounting policies], unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

- i. Investment in equity instruments carried at FVPL or FVOCI;
- ii. Investment in debt instruments carried at FVPL; and
- iii. Impairment of financial assets based on expected credit loss model.

E) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

F) De-recognition of financial assets and liabilities:

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

**DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101: FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS
(Contd.)**
II. Reconciliation of Balance Sheet as at 1st April, 2016

| | Reference | Indian GAAP | Adjustments | Ind AS |
|---|------------|-----------------|---------------|-----------------|
| NON-CURRENT ASSETS | | | | |
| (a) Property, Plant and Equipment | | 1,571.63 | - | 1,571.63 |
| (b) Financial Assets | | | | |
| (i) Investments | | 1,919.07 | - | 1,919.07 |
| (ii) Others | I | 150.45 | (22.56) | 127.89 |
| (c) Other Non-Current Assets | I | - | 22.06 | 22.06 |
| TOTAL NON CURRENT ASSETS | | 3,641.14 | (0.49) | 3,640.65 |
| CURRENT ASSETS | | | | |
| (a) Inventories | | 1,753.19 | - | 1,753.19 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | | 446.78 | - | 446.78 |
| (ii) Cash and Cash Equivalents | | 5.58 | - | 5.58 |
| (iii) Bank balances other than (ii) above | | 3.20 | - | 3.20 |
| (iv) loans | | 1,013.08 | - | 1,013.08 |
| (v) Others | | 153.62 | - | 153.62 |
| (c) Current Tax Assets (Net) | | 63.17 | - | 63.17 |
| (d) Other Current Assets | | 69.30 | - | 69.30 |
| TOTAL CURRENT ASSETS | | 3,507.91 | - | 3,507.91 |
| TOTAL ASSETS | | 7,149.06 | (0.49) | 7,148.56 |
| EQUITY | | | | |
| (a) Equity Share Capital | | 711.33 | - | 711.33 |
| (b) Other Equity | I, II, III | 3,901.84 | 1.16 | 3,903.00 |
| TOTAL EQUITY | | 4,613.16 | 1.16 | 4,614.32 |
| LIABILITIES | | | | |
| NON-CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | III | 234.10 | (1.65) | 232.45 |
| (ii) Other Financial Liabilities | | 300.00 | - | 300.00 |
| (b) Provisions | | 20.97 | - | 20.97 |
| (c) Deferred Tax Liabilities (Net) | | 311.65 | - | 311.65 |
| TOTAL NON CURRENT LIABILITIES | | 866.73 | (1.65) | 865.07 |
| CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 610.75 | - | 610.75 |
| (ii) Trade Payables | | 631.83 | - | 631.83 |
| (iii) Other Financial Liabilities | | 408.65 | - | 408.65 |
| (b) Other Current Liabilities | | 17.94 | - | 17.94 |
| (c) Provisions | | - | - | - |
| TOTAL CURRENT LIABILITIES | | 1,669.17 | - | 1,669.17 |
| TOTAL LIABILITIES | | 2,535.90 | (1.65) | 2,534.24 |
| TOTAL EQUITY AND LIABILITIES | | 7,149.06 | (0.49) | 7,148.56 |

(I) Fair Valuation adjustments for financial assets and financial liabilities:

Under IGAAP, security deposits given and taken were required to be carried at book value. Under Ind AS, the said concept has shifted from book value to fair value hence the same has been valued as per the principles of Amortised Cost.

(II) Actuarial gain / loss on defined benefit plan:

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(III) Fair valuation of borrowing through profit and loss account

Ind AS 109 mandates financial instruments that are classified as fair value through profit or loss account to be fair valued whenever the financial statements are prepared. As per the provisions of Ind AS 109, where any transaction costs have been incurred at the time of obtaining term loan, then the said costs are required to be amortized at "Effective Interest Rate" (EIR) in time span of the said term loan.

(IV) Others:
Statement of cash flows:

The transition from IGAAP to Ind AS had not material impact on the statement of cash flows.

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 101: FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (Contd.)
III. Reconciliation of Balance Sheet as at 31st March, 2017

| | Reference | Indian GAAP | Adjustments | (Rs. In lakhs) IND AS |
|---|------------|-----------------|---------------|--------------------------|
| NON-CURRENT ASSETS | | | | |
| (a) Property, Plant and Equipment | | 1,581.61 | - | 1,581.61 |
| (b) Financial Assets | | | | |
| (i) Investments | | 0.30 | - | 0.30 |
| (ii) Others | I | 1,392.98 | (8.54) | 1,384.44 |
| (c) Other Non-Current Assets | I | - | 7.94 | 7.94 |
| TOTAL NON CURRENT ASSETS | | 2,974.89 | (0.60) | 2,974.29 |
| CURRENT ASSETS | | | | |
| (a) Inventories | | 2,247.73 | - | 2,247.73 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | | 499.85 | - | 499.85 |
| (ii) Cash and Cash Equivalents | | 7.88 | - | 7.88 |
| (iii) Bank balances other than (ii) above | | 6.33 | - | 6.33 |
| (v) Others | | 272.58 | - | 272.58 |
| (c) Current Tax Assets (Net) | | 98.22 | - | 98.22 |
| (d) Other Current Assets | | 7.54 | - | 7.54 |
| TOTAL CURRENT ASSETS | | 3,140.14 | - | 3,140.14 |
| TOTAL ASSETS | | 6,115.03 | (0.60) | 6,114.42 |
| EQUITY | | | | |
| (a) Equity Share Capital | | 786.33 | - | 786.33 |
| (b) Other Equity | I, II, III | 4,238.37 | 0.70 | 4,239.07 |
| TOTAL EQUITY | | 5,024.70 | 0.70 | 5,025.39 |
| LIABILITIES | | | | |
| NON-CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | III | 70.24 | (1.30) | 68.94 |
| (ii) Other Financial Liabilities | | 629.65 | - | 629.65 |
| (b) Provisions | | 9.04 | - | 9.04 |
| (c) Deferred Tax Liabilities (Net) | | 274.65 | - | 274.65 |
| TOTAL NON CURRENT LIABILITIES | | 983.59 | (1.30) | 982.29 |
| CURRENT LIABILITIES | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | -15.54 | - | (15.54) |
| (ii) Trade Payables | | 95.41 | - | 95.41 |
| (iii) Other Financial Liabilities | | 2.99 | - | 2.99 |
| (b) Other Current Liabilities | | 7.85 | - | 7.85 |
| (c) Provisions | | 16.02 | - | 16.02 |
| TOTAL CURRENT LIABILITIES | | 106.73 | - | 106.73 |
| TOTAL LIABILITIES | | 1,090.33 | (1.30) | 1,089.02 |
| TOTAL EQUITY AND LIABILITIES | | 6,115.03 | (0.60) | 6,114.42 |

Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

| | Reference | Indian GAAP | Adjustments | Rs. In lakhs IND AS |
|---|-----------|-----------------|---------------|------------------------|
| REVENUES | | | | |
| Revenue from operations | | 1,771.75 | - | 1,771.75 |
| Other income | I | 118.60 | 14.02 | 132.62 |
| Total REVENUE | | 1,890.35 | 14.02 | 1,904.37 |
| EXPENSES | | | | |
| Purchase of Stock in Trade | | 1,895.65 | - | 1,895.65 |
| Changes in inventories of raw material and work in progress | | (494.55) | - | (494.55) |
| Employee benefits expense | II | 110.97 | 0.56 | 111.52 |
| Finance Costs | | 47.94 | - | 47.94 |
| Depreciation and amortization expenses | | 100.50 | - | 100.50 |
| Other expenses | I, III | 125.04 | 14.48 | 139.51 |
| TOTAL EXPENSES | | 1,785.54 | 15.03 | 1,800.58 |
| PROFIT BEFORE TAX | | 104.81 | (1.02) | 103.79 |
| TAX EXPENSES | | | | |
| Current tax | | 21.35 | - | 21.35 |
| Deferred tax | | (37.00) | - | (37.00) |
| PROFIT FOR THE YEAR | | 120.46 | (1.02) | 119.44 |
| OTHER COMPREHENSIVE INCOME: | | | | |
| Items that will not be classified to profit or loss | | | | |
| - Re-measurement gains on post employment defined benefit plans | II | - | 0.55 | 0.55 |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR | | - | 0.55 | 0.55 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 120.46 | (0.47) | 119.99 |

Summary of reconciliation of total comprehensive income as per previous Indian GAAP and Ind AS

| Particulars | For the year ended 31 March 2017 |
|--|--|
| Net profit under previous GAAP | 120.46 |
| <u>Adjustment as per Ind AS</u> | |
| On account of unwinding of security deposit balances | (0.12) |
| Actuarial gain on employee defined benefit plan transferred to OCI | (0.55) |
| On account of valuation of financial liabilities at amortised cost | (0.35) |
| Net profit as per Ind AS | 119.44 |
| Other comprehensive income (net of tax) | 0.55 |
| Total comprehensive income | 119.99 |

Summary of reconciliation of equity between previous Indian GAAP and Ind AS

| Particulars | As at 31 March, 2017 |
|--|-------------------------|
| Equity under previous GAAP | 4,238.37 |
| <u>Adjustment as per Ind AS</u> | |
| On account of unwinding of security deposit balances | (0.60) |
| Amortization of finance charges | 1.30 |
| Equity under Ind AS | 4,239.07 |

40 - Figures for the corresponding previous years have been regrouped / rearranged wherever necessary, to conform to the classification of the current year.

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For M. H. Dalal & Associates

Chartered Accountants
Firm Registration Number: 112449W

Sd/-

Devang M. Dalal
Partner
Membership Number: 109049

Place: Mumbai
Date: 29th May, 2018

Sd/-

Yogesh Shah
Managing Director
DIN: 00169189

Sd/-

Jigar Shah
Chief Financial Officer

Place: Mumbai
Date: 29th May, 2018

Sd/-

Prakash Shah
Executive Director
DIN: 01660194

Sd/-

Nipa Thakker
Company Secretary

VEER ENERGY & INFRASTRUCTURE LIMITED

CIN: L65990MH1980PLC023334

Registered Office: 629-A, Gazdar House, 1st Floor, Near Kalbadevi Post Office, J.S.S. Marg, Mumbai – 400 002.

Tel: (022) 22072641 Fax: (022) 22072644 Email: info@veerenergy.net Website: www.veerenergy.net

**FORM NO. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|---------------------------|--|
| CIN | L65990MH1980PLC023334 |
| Name of the Company | Veer Energy & Infrastructure Limited |
| Registered Office | 629-A, Gazdar House, 1 st Floor, Near Kalbadevi Post Office, J.S.S. Marg, Mumbai - 400002 |
| Name of the Member(s) | |
| Registered Address | |
| E-mail ID | |
| Folio No./DP ID-Client ID | |

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

| | | | |
|----|-------------------|----------|----------------------------------|
| 1. | Name E-mail ID | Address: | Signature : _____ or failing him |
| 2. | Name E-mail ID | Address: | Signature : _____ or failing him |
| 3. | Name E-mail ID | Address: | Signature : _____ |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Friday, 28th September, 2018 at 10.30 A.M. at 6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions | | Vote | |
|-------------------|--|------|---------|
| Ordinary Business | | For | Against |
| 1 | Consider and adopt Audited Financial Statement for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon. | | |
| 2 | Appointment of Mr. Prakash C. Shah (DIN: 01660194), a Director retiring by rotation. | | |
| Special Business | | | |
| 3 | Re-appointment of Mr. Chetan H. Mehta as an Independent Director. | | |
| 4 | Re-appointment of Mr. Mitesh J. Kuvadia as an Independent Director. | | |
| 5 | Re-appointment of Mr. Joseph J. Tauro as an Independent Director. | | |

Signed this day of 2018.

| |
|---------------------------------|
| Affix Revenue Stamp of Rs. 1 |
|---------------------------------|

Signature of Shareholder Signature of Proxyholder(s)

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK-POST

To, _____



Mumbai Office:

629-A, Gazdar House, 1st Floor,

Nr. Kalbadevi Post Office,

J. S. S. Road, Mumbai – 400002

Tel: +91 22 22072641/42

Fax: +91 22 22072644

Email: info@veerenergy.net