

# TWENTY SECOND ANNUAL REPORT

## 2007 - 2008

### **BASIL INFRASTRUCTURE PROJECTS LIMITED**

[Formerly known as VBC Finance & Leasing Limited]

**Registered Office:**

6-2-913/914, Sixth Floor, Progressive Towers,  
Khairatabad, Hyderabad – 500 004

Tel: 91 40 23331234/35, Fax: 040-23331244/55

E-mail: [vbcflcs@gmail.com](mailto:vbcflcs@gmail.com)

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### TWENTY SECOND ANNUAL GENERAL MEETING

Date : 26<sup>th</sup> September 2008  
 Day : Friday  
 Time : 11.30 AM  
 Place : J.S.K Hall  
           FAPCCI, 11-6-841, Red Hills  
           Hyderabad – 500 004

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**BASIL INFRASTRUCTURE PROJECTS LIMITED****2007-2008****BOARD OF DIRECTORS**

<b>Mrs. M.Srimani</b>	<b>Managing Director</b>
<b>Mr. M.S.Rama Rao</b>	<b>Director</b>
<b>Mr. C.Madhusudan</b>	<b>Director</b>
<b>Mr. Ch.Srihari</b>	<b>Director</b>
<b>Mr. L.N.Sharma</b>	<b>Director</b>
<b>Mr. B.Gopala</b>	<b>Director</b>

**COMPANY SECRETARY**

<b>Ms. S. P. Hima Bindu</b>	<b>Company Secretary &amp; Compliance Officer</b>
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**AUDITORS**

M/s. BRAHMAYYA & CO.  
Chartered Accountants  
10-50-24, Siripuram,  
Visakhapatnam- 530 003

**BANKERS**

- 1.State Bank of India, Khairatabad Branch
- 2.ICICI Bank, Khairatabad Branch
- 3.Kotak Mahindra Bank Limited

**SHARE TRANSFER AGENTS :**

(Physical & Demat)

**VENTURE CAPITAL & CORPORATE INVESTMENTS LTD.**

12-10-167, Bharat Nagar,  
Hyderabad- 500 018.  
Tel: 040-23818475/76, 23868023  
Fax: 040-23868024  
E-mail: [info@vccilindia.com](mailto:info@vccilindia.com)

Note :As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the Meeting.

**NOTICE OF THE 22<sup>nd</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 22<sup>nd</sup> Annual General Meeting of Members of VBC Finance & Leasing Limited, will be held on Friday, the 26<sup>th</sup> September, 2008 at 11.30 AM at J.S.K Hall of the Federation of Andhra Pradesh Chamber of Commerce & Industry situated at 11-6-841, Red Hills, Hyderabad -500 004 to consider the following:-

**ORDINARY BUSINESS:**

- (1) To consider and adopt the audited balance sheet as on 31<sup>st</sup> March 2008 and the Profit and Loss Account for the period ended on that date and the reports of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. C Madhusudan, Director who retires by rotation and being eligible, offers himself for reappointment.
- (3) To appoint a Director in place of Mr. Ch. Srihari, Director who retires by rotation and being eligible, offers himself for reappointment.
- (4) To appoint M/s. Brahmayya & Co. Chartered Accountants as Auditors for the financial year 2008-2009, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By order of the Board  
for **VBC Finance & Leasing Limited**

Place: Hyderabad  
Date : 28.07.2008

Sd/-  
**S P Hima Bindu**  
Company Secretary

**BASIL INFRASTRUCTURE PROJECTS LIMITED****2007-2008**

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**NOTES:-**

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself or herself and such proxy need not be a member of the company. In order to be effective the proxies should be deposited with the company at its registered office not less than **48 hours** before the meeting. A form of proxy is given at the end of this Annual Report.
2. The Register of Members and Share Transfer Books of the Company will be closed from 23<sup>rd</sup> September, 2008 to 26<sup>th</sup> September 2008 (both days inclusive)
3. Members are requested to submit their Share Certificates to RTA, for affixing the name change Sticker.
4. Members who wish to seek any further information / clarification, at the meeting, on the annual accounts or operations of the Company are requested to send their queries at least a week in advance of the date of the Meeting, to the Registered Office of the Company.
5. Members are requested to intimate any change in their address to the company immediately.
6. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
7. Members who have multiple folios in identical names or joint accounts in the same order are requested to intimate the Company's Registrars and Share Transfer Agents, at the aforesaid address, the ledger folios of such accounts to enable the Company to consolidate all such shareholdings into one account.
8. As per the recent amendment to the Companies Act, 1956, the members of a Company are allowed to nominate any person to whom the shares shall be transmitted in the event of member's death. Members are advised to contact the Company to avail this facility.
9. Members are requested to bring their copies of Annual Reports at the time of attending the meeting.

By order of the Board  
for **VBC Finance & Leasing Limited**

Place: Hyderabad  
Date : 28.07.2008

Sd/-  
**S P Hima Bindu**  
Company Secretary

**BASIL INFRASTRUCTURE PROJECTS LIMITED****2007-2008****DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present their report for the financial year 2007-08.

The **financial highlights** of the Company for the year are as under:

	<b>2007-08</b> (Rs. in Lakhs)	<b>2006-07</b> (Rs. in Lakhs)
Gross Profit before Interest and Depreciation	78.67	51.81
<b>Less:</b> Interest	1.20	4.39
Depreciation	23.64	18.04
Profit after Interest and Depreciation	53.83	29.38
Less: Provision for Taxation	19.85	12.10
Balance after Total Provisions	33.98	17.28
Less: Income Tax paid for earlier years	13.88	2.51
Add: Profit/(Loss) brought forward from Previous year	164.82	150.05
Balance of Profit carried over to next year	184.92	164.82

**REVIEW OF OPERATIONS:**

Your Company has earned a Gross Revenue of Rs.168.45 Lakhs as against Rs. 106.62 Lakhs during the previous year. The Company has earned Rs.90.00 Lakhs from the Project Management and consultancy services rendered by the Company to its associate hotel projects.

**FUTURE PROSPECTS:**

During the year under review, your Company has voluntarily surrendered the Certificate of Registration (COR) of the NBFC status. The Reserve Bank of India accepting the same has cancelled the same vide their letter dated January 22<sup>nd</sup>, 2008. The Company with the approval of members, has ventured into a new business of Infrastructure Projects undertaking with the main focus on hotel projects, from the present main objects of the Company i.e to undertake the business of finance, investment and trading, hire purchase, leasing etc. In the view of the ongoing infrastructure boom, Andhra Pradesh makes an attractive proposition for infrastructure investments due to less congestion and inherent advantage of weather conditions, growth in pharma and other industries. The Company expects to reap the benefits of this infrastructure boom. The name of the Company has also been changed to **"Basil Infrastructure Projects Limited"** to convey the main business of the Company.

**JOINT VENTURE:**

Golden Jubilee Hotels Limited a joint venture between the Company, My home Group and EIH Limited for the implementation of the Five Star Hotel at Shilpakalavedika, Madhapur, Hyderabad. The joint venture company is all set to construct approximately one million square feet of hotel development with 65 meters of height (sanctioned from AAI), it is proposed that it would be more prudent to brand the development appropriately and

**BASIL INFRASTRUCTURE PROJECTS LIMITED****2007-2008**

preferably, two hotel brands at the same place is proposed to be developed. It was also approved to brand the development as "The Oberoi" for approximately 220 rooms and "The Trident" for approximately 350 rooms, which would yield better revenue.

**DEPOSITS:**

The Company has not accepted any deposits during the year under review. The Company has repaid all unclaimed Deposits and has no liability towards deposit accounts.

**DIVIDEND:**

Having regard to the significant capital expenditure envisaged for the hotel project, your Directors have decided to augment long term resources, therefore no dividend is recommend for the financial year 2007-08.

**PERSONNEL:**

There are no employees, who have been paid remuneration / salaries and allowance during the year under review, exceeding the limits prescribed under Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS:**

In accordance with provisions of Section 256 of the Companies Act, 1956 and clause 105-B of the Articles of Association of the company, Mr. C. Madhusudan and Mr. Ch. Srihari are liable to retire by rotation and being eligible, offer themselves for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 217(2AA) of the Companies Act, 1956, your directors confirm having:

- (i) Followed the applicable accounting standards with proper explanation relating to material departures in preparation of the Annual Accounts;
- (ii) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year 2007-08 and of the profit of the Company for that period;
- (iii) Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- (iv) Prepared the Annual Accounts on a going-concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUT GO:**

The information as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998 is not applicable to the Company. The foreign exchange outflows on account of travel during the year was Rs.7,90,000/- and inflow was nil.

**BASIL INFRASTRUCTURE PROJECTS LIMITED****2007-2008****DEMATERIALISATION OF SHARES:**

Trading of securities of our Company has been made compulsorily in dematerialized form with effect from 30<sup>th</sup> April 2001 and is available for trading under both the Depository Systems in India – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE465D01011.

**AUDITORS:**

M/s. Brahmayya & Co., Chartered Accountants retire as Auditors and being eligible offer themselves for reappointment. Board of Directors recommend for their re-appointment.

**PARTICULARS OF EMPLOYEES:**

None of the employees were in receipt of remuneration in excess of limits specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**STOCK EXCHANGE LISTING:**

The Equity shares of the Company are listed on the Stock Exchanges at Mumbai and Madras. The Company has paid the Annual Listing fees for the year 2007-08.

**ACKNOWLEDGEMENTS:**

Your Directors' gratefully acknowledge the continued support being received from all investors, customers, banks, and as well as regulatory and government authorities in the initiatives of the Company. Your Directors' place on record their appreciation and gratitude for the valuable contributions made by the employees at all levels and look forward for their continued support.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place: Hyderabad

**M.SRIMANI**

**L.N.SHARMA**

Date: 28.07.2008

Managing Director

Director

**DISTRIBUTION OF HOLDINGS**

NOMINAL VALUE		HOLDERS		AMOUNT	
		Number	% of Total	In Rs.	% of Total
Upto	5000	2211	91.66	28,19,350	9.87
5001	10000	81	3.35	7,17,140	2.51
10001	20000	28	1.16	4,50,870	1.58
20001	30000	16	0.66	3,98,380	1.39
30001	40000	3	0.12	1,12,990	0.39
40001	50000	32	1.32	15,80,630	5.53
50001	100000	5	0.20	3,85,760	1.35
100001	and above	36	1.49	2,20,76,290	77.34
<b>TOTAL</b>		<b>2412</b>	<b>100</b>	<b>2,85,41,410</b>	<b>100.00</b>