TWENTY SIXTH ANNUAL REPORT

2011 - 2012

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

CONTENTS

	Page No
Notice	4
Directors' Report	5
Auditors' Report	8
Balance Sheet	12
Profit & Loss A/c	13
Cash Flow Statement	14
Notes	15
Accounting Policies & Notes on Accounts	22

TWENTY SIXTH ANNUAL GENERAL MEETING

Date	:	28th September 2012
Day	:	Friday
Time	:	11.00 a.m.
Place	:	J.S.K Hall
		FAPCCI, 11-6-841, Red Hills
		Hyderabad – 500 004

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

BOARD OF DIRECTORS

Ms. M Srimani	Managing Director
Mr. L N Sharma	Director
Mr. C Madhusudan	Director
Mr. Ch. Srihari	Director
Mr. B. Gopala	Director

COMPANY SECRETARY

Ms. Sumalatha D	Company Secretary & Compliance Officer

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, Madhapur Branch

SHARE TRANSFER AGENTS
(Physical & Demat)
VENTURE CAPITAL & CORPORATE INVESTMENTS PVT. LTD.
12-10-167, Bharat Nagar,
Hyderabad - 500 018.
Tel: 040-23818475/76, 23868023
Fax: 040-23868024
E-mail: 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 26th ANNUAL GENERAL MEETING

Notice is hereby given that 26th Annual General Meeting of the Members of Basil Infrastructure Projects Limited, will be held on Friday the 28th September, 2012 at 11.00 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 31st March, 2012 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. Ch. Srihari, Director who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Brahmayya & Co. Chartered Accountants [Firm Regn. No.: 000513S] as Auditors for the financial year 2012-2013, 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
Sd/-
Sumalatha D
Company Secretary

Place: Hyderabad
Date : 30.05.2012

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 / 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 25th September, 2012 to 28th September 2012 (both days inclusive)
3. 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.
4. Members are requested to intimate any change in their address to the company immediately.
5. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
6. 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.
7. 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.
8. Members are requested to bring their copies of Annual Reports at the time of attending the meeting.

By order of the Board
Sd/-
Sumalatha D
Company Secretary

Place: Hyderabad
Date : 30.05.2012

DIRECTORS' REPORT

Dear Shareholders,

The directors of your company present herewith the 26th Annual Report of the Company together with audited accounts for the financial year ended March 31, 2012.

The **financial highlights** of the Company for the year are as under: (Rs. in Lakhs)

	2011-12	2010-11
Gross Profit before Interest and Depreciation	36.44	41.93
Less: Interest	0.11	0.50
Depreciation	14.33	15.58
Profit after Interest and Depreciation	22.00	25.85
Less: Provision for Taxation	12.20	12.00
Balance after Total Provisions	9.80	13.85
Excess/(Short) provision of Income Tax for earlier years	2.63	(10.19)
Add: Profit/(Loss) brought forward from Previous year	195.84	171.80
Balance of Profit carried over to next year	203.01	195.84

REVIEW OF OPERATIONS:

Your Company has earned a Gross Revenue of around Rs. 78.88 Lakhs during the previous year.

FUTURE PROSPECTS:

As you are aware the Company has participated in a Joint Venture with Core Hotels Ventures Private Limited as a FSCM for setting up two hotel projects in Hyderabad. These projects are at an advanced stage of completion with commencement of commercial operations of the first hotel before December, 2012. During the year, the Board of Directors have transferred the right of minimum equity subscription in the equity shares of Core Hotels Ventures Private Limited to Maha Hotel Projects Private Limited under an inter-se arrangement. Consequent to this, the Company's holding into these projects have come down to 10.22%.

In the meanwhile, the Company is exploring the several opportunities to develop the hotel projects under PPP mode and looking into the market conditions, it is anticipated that the further funds are required to raise through equity as well as debt for which the Company will approach the shareholders shortly. The Board is making all endeavors to secure a remunerative hotel project under management.

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 year.

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. Ch. Srihari is liable to retire by rotation and being eligible, offer himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the directors confirm that:

(i) In the preparation of the annual accounts for the financial year ended March 31, 2012, the applicable accounting standards have been followed;

(ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year 2011-12 and of the profit of the Company for that period;

(iii) They have 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) They have prepared the Annual Accounts on a going-concern basis.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, for the year ended March 31, 2012:

(A) Conservation of Energy:

The Company for the time being is not energy intensive. However, energy conservation is a priority area for the Company.

(B) Technology Absorption: NIL

(C) Foreign Exchange Earnings & Outgo:

There are no foreign exchange earnings and outgo during the financial year under review.

FINANCIAL STATEMENTS:

In support of the green initiative of the Ministry of Corporate Affairs, the Company has decided to send all future communications including the Annual Report through email to those shareholders, who have registered their e-mail id with their depository participant/ Company's registrar and share transfer agent. In case a shareholder wishes to receive a printed copy of such communications, he/she may please send a request to the Company, which will send a printed copy of the communication to the shareholder.

DEMATERIALISATION OF SHARES:

Trading of securities of our Company has been made compulsorily in dematerialized form with effect from 30th 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. The Board of Directors recommend for their re-appointment.

PARTICULARS OF EMPLOYEES:

During the year under review, 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 2012-13.

ACKNOWELDGEMENTS:

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: 30.05.2012 Managing Director Director

Distribution of Holdings as on 31st March, 2012

NOMINAL VALUE		HOLDERS		AMOUNT	
		Number	% of Total	In Rs.	% of Total
Upto	500	2089	91.82	249261	8.73
501	1000	83	3.65	72566	2.54
1001	2000	29	1.27	44762	1.57
2001	3000	20	0.88	48859	1.71
3001	4000	4	0.18	15465	0.54
4001	5000	9	0.40	43106	1.51
5001	10000	5	0.22	36658	1.28
10001	and above	36	1.58	2343464	82.11
TOTAL		**2275**	**100**	**2854141**	**100.00**