

**TWENTY EIGHTH ANNUAL REPORT
2013 - 2014**

BASIL INFRASTRUCTURE PROJECTS LIMITED

[Formerly known as VBC Finance & Leasing Limited]

CIN : L65910TG1985PLC005750

Registered Office :

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

Tel : +91 40 2330 1166, Fax : 040-2330 1160

E-mail : vbcflcs@gmail.com

CONTENTS

| | Page No. |
|---|----------|
| Notice | 4 |
| Directors' Report | 8 |
| Auditors' Report | 11 |
| Balance Sheet | 14 |
| Profit & Loss A/c | 15 |
| Cash Flow Statement | 16 |
| Notes | 17 |
| Accounting Policies & Notes on Accounts | 24 |

TWENTY EIGHT ANNUAL GENERAL MEETING

Date : 30th September, 2014
Day : Tuesday
Time : 3.30 p.m.
Place : Surana Udyog Auditorium
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 2330 1166, Fax : 040-2330 1160
Email : vbcflcs@gmail.com

BOARD OF DIRECTORS

Ms. M Srimani

Mr. M S P Rama Rao

Mr. C Madhusudan

Mr. B. Gopala

Managing Director

Additional Director (from 23-05-2013)

Director

Director

COMPANY SECRETARY

Ms. Sumalatha D

Company Secretary &

Compliance Officer

AUDITORS

M/s. BRAHMAYYA & CO.

Chartered Accountants

D.No. 1-88-19, Plot No. 135/4, Sector IV,

MVP Colony, Opp. Rajeevgandhi Memorial GYM Club,

Visakhapatnam - 530 017

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

Email: 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 28th ANNUAL GENERAL MEETING

Notice is hereby given that 28th Annual General Meeting of the Members of **Basil Infrastructure Projects Limited**, will be held on Tuesday the 30th day of September, 2014 at 3.30 PM at Surana Udyog Auditorium of The Federation of Andhra Pradesh Chambers 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, 2014 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. M S P Rama Rao (DIN No:7292), Director who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors for the Company for a term of three Financial Years viz., 2014-15, 2015-16, 2016-17 and to fix their remuneration. Present Auditors M/s. Brahmayya & Co., Chartered Accountants (Firm Regd.No.000513S), retire at this Annual General Meeting and offer themselves for re-appointment

SPECIAL BUSINESS :

4. Appointment of Sri.V.R.C.Choudary as an Independent Director
To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri.V.R.C.Choudary (DIN: 06592773), be and is hereby appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years effective from 30th September, 2014."

5. Appointment of Sri M.GANDHI as an Independent Director:
To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri M.Gandhi (DIN: 03351949), be and is hereby appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years effective from 30th September, 2014."

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 :

Pursuant to section 160 of the Act, notices have been received from a shareholder signifying his intention to propose the appointment of Shri V.R.C. Choudary along with a deposit of Rs. 10,000/- (Rupees Ten Thousand) as required under the aforesaid section.

Based on the disclosures received from Shri V.R.C choudary. and after reviewing the provisions of the Act, is of the opinion that Shri. V.R.C. Choudary fulfills the conditions specified in the Act and the Rules made there under, the Board satisfied that Shri..V.R.C.Choudary meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and he is not disqualified as contemplated under Section 164 of the Companies Act, 2013.

The Board of Directors of your Company is also of the opinion that Shri. V.R.C.Choudary is independent of the management of the Company.

The Board considers that his association with the Company would be of immense benefit to the Company and it is desirable to continue to avail services of Shri V.R.C.Choudary as an Independent Director.

Accordingly, the Board recommends the resolution for appointment of Shri.V.R.C.Choudary as an Independent Director pursuant to provisions of section 149 read with schedule IV of the Act for the approval

by the shareholders of the Company. In terms of provisions of section 149(13) of the Act, Shri.V.R.C.Choudary is not liable to retire by rotation.

As on date, Shri.V.R.C.Choudary does not hold any equity shares of the Company.

Save and Except above, none of the Directors/ Key Managerial Personnel of the Company/their respective relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Pursuant to section 160 of the Act, notices have been received from a shareholder signifying his intention to propose the appointment of Shri .M.Gandhi along with a deposit of Rs. 10,000/- (Rupees Ten Thousand) as required under the aforesaid section.

Based on the disclosures received from Shri M.Gandhi . and after reviewing the provisions of the Act, is of the opinion that Shri. M.Gandhi fulfills the conditions specified in the Act and the Rules made there under, the Board satisfied that Shri.. M.Gandhi meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and he is not disqualified as contemplated under Section 164 of the Companies Act, 2013.

The Board of Directors of your Company is also of the opinion that Shri. M.Gandhi is independent of the management of the Company.

The Board considers that his association with the Company would be of immense benefit to the Company and it is desirable to continue to avail services of Shri M.Gandhi as an Independent Director.

Accordingly, the Board recommends the resolution for appointment of Shri. M.Gandhi as an Independent Director pursuant to provisions of section 149 read with schedule IV of the Act for the approval by the shareholders of the Company. In terms of provisions of section 149(13) of the Act, Shri. M.Gandhi is not liable to retire by rotation.

As on date, Shri. M.GANDHI does not hold any equity shares of the Company.

Save and Except above, none of the Directors/ Key Managerial Personnel of the Company/their respective relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

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

Place : Hyderabad
Date : 30.05.2014

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 27th September, 2014 to 30th September 2014 (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 which is given at the end of the Annual Report 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/ Registrar and Share Transfer Agents to avail this facility.
8. Members are requested to bring their copies of Annual Reports at the time of attending the meeting.

9. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.

Voting through electronic means :

10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

- b) The instructions for e-voting are as under :

The instructions for members for voting electronically are as under :

In case of members receiving e-mail :

- I. Log on to the e-voting website www.evotingindia.com during the voting period.
- II. Click on "Share holders" tab
- III. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- IV. Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- V. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- VI. Now, fill up the following details in the appropriate boxes

| | For Members holding shares in Physical Form | For Members holding shares in Demat Form |
|-------------------------|--|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) | |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. | |
| Dividend Bank Details # | Enter the Dividend Bank Details as recorded in your demat account Bank or in the company records for the said demat account or folio. | |

- * Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Folio

Number 1 then enter RA00000001 in the PAN field.

- # Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.
- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy :

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The e-voting period commences on 22-09-2014 (9:00 am) and ends on 25/09/2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 26TH August, 2014.

Mr. M.Naga Kishore, Practicing Company Secretary (Membership No. F7684, CP No 13597) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vbcindia.com in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

Place : Hyderabad
Date : 30.05.2014

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

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 28th Annual Report of Basil Infrastructure Projects Limited with audited statement of accounts for the 12 months period ended 31st March, 2014.

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

(Rs. in Lakhs)

| Particulars | 2013-14 | 2012-13 |
|--|---------|---------|
| Gross Profit before Interest and Depreciation | (6.64) | 17.44 |
| Less : Interest | 10.03 | 4.83 |
| Depreciation | 12.63 | 13.58 |
| Profit/ (loss) after Interest and Depreciation | (29.30) | (0.97) |
| Less: Provision for Taxation | 7.08 | 10.95 |
| Balance after Total Provisions | (36.38) | (9.97) |
| Excess/(Short) provision of Income Tax for earlier years | 9.44 | (5.69) |
| Add: Profit/(Loss) brought forward from Previous year | 202.50 | 203.00 |
| Balance of Profit carried over to next year | 175.56 | 202.50 |

FINANCIAL REVIEW AND OPERATIONS :

During the financial year 2013-14, your Company has earned a Gross Revenue of Rs. 35.44 Lakhs.

As you are aware the operating performance of infrastructure projects has declined due to market conditions and division of state of Andhra Pradesh. Due to which, the investee company projects have not shown significant growth compared to previous year, infact there is a Negative Growth.

DEPOSITS :

The Company has not accepted any deposits during the year under review.

DIVIDEND :

Having regard to the significant capital expenditure envisaged for the Infrastructure projects, your Directors have decided to augment long term resources, therefore no dividend is recommend for the year.

DIRECTORS :

At the ensuing annual general meeting Mr. M S P Rama Rao is liable to retire by rotation and being eligible, offer himself for reappointment in terms of provisions of the Articles of Association of the company.