

TWENTY NINTH ANNUAL REPORT 2014 - 2015

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

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TWENTY NINTH ANNUAL GENERAL MEETING

Date	:	30th September, 2015
Day	:	Wednesday
Time	:	4.00 p.m.
Place	:	K.L.N Prasad Auditorium FAPCCI, 11-6-841, Red Hills Hyderabad - 500 004.

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BOARD OF DIRECTORS

Ms. M Srimani	Managing Director
Mr. M S P Rama Rao	Director
Mr. C Madhusudan	Director
Mr. B. Gopala	Director
Mr. V.R.C Choudary	Independent Director
Mr. M. Gandhi	Independent Director

COMPANY SECRETARY**Ms. Sumalatha D****Audit Committee**

Mr. V.R.C. Chodary	Chairman
Mr. M. Gandhi	Member
Mr. C. Madhusudan	Member

Stakeholders Relationship Committee

Mr. V.R.C. Chodary	Chairman
Mr. C. Madhusudan	Member
Mrs. Srimani	Member

Nomination and Remuneration Committee

Mr. M. Gandhi	Chairman
Mr. V.R.C. Chodary	Member
Mr. C. Madhusudan	Member

AUDITORS

M/s. BRAHMAYYA & CO.

Chartered Accountants

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

Sector-4, MVP Colony, Opp. R.G. Memorial Gym Club,

Visakhapatnam - 530 017. A.P. India

BANKERS

1. State Bank of India, Khairatabad Branch
2. ICICI Bank, Khairatabad 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

NOTICE OF THE 29th ANNUAL GENERAL MEETING

Notice is hereby given that 29th Annual General Meeting of the Members of Basil Infrastructure Projects Limited, will be held on Wednesday the 30th day of September, 2015 at 4.00 PM at K.L.N. Prasad Auditorium The Federation of Andhra Pradesh & Telangana Chamber of Commerce & Industry situated at 11-6-841, Red Hills, Hyderabad - 500 004, Telangana. To consider the following:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as on 31st March, 2015 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. B.Gopala, 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 2015-2016, 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.

Place : Hyderabad

Date : 28.05.2015

By order of the Board

Sd/-

M S P Rama Rao

Director

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 24th September, 2015 to 30th September 2015 (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
1. For Members holding shares in Physical 2. For Members holding shares in Demat Form
 - A. Form PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

B.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.

C. Dividend Bank Details#

Enter the Dividend Bank Details as recorded in your demat account Bank or in the Details # 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 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 si. no. (I) to si. no.(xvii) above to cast vote.
- (B) The voting period begins on and ends on . 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 , 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 27-09-2015 (9:00 am) and ends on 29/09/2015 4(5:00 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 23rd September, 2015 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 - 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 : 28.05.2015

By order of the Board
Sd/-
M S P Rama Rao
Director

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 29TH Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31, 2015.

FINANCIAL RESULTS :

(Rs. in Lakhs)		
Particulars	2014-15	2013-14
Gross Profit before Interest and Depreciation	(12.19)	(6.64)
Less : Interest	10.77	10.03
Depreciation	19.04	12.63
Profit/ (loss) after Interest and Depreciation	(42.00)	(29.30)
Less: Provision for Taxation	2.00	7.08
Balance after Total Provisions	(44.00)	(36.38)
Excess/(Short) provision of Income Tax for earlier years	7.08	9.44
Add: Profit/(Loss) brought forward from Previous year	175.56	202.50
Balance of Profit carried over to next year	138.64	175.56

Performance of your Company :

As you are aware the operating performance of infrastructure projects has declined due to market conditions and partition of the state of Andhra Pradesh & Telangana. Due to which, the investee company projects have not shown significant growth compared to previous year.

Dividend

The Board of Directors has not recommended any dividend for the Financial year 2014-15 in view of the losses during the year under review.

INVESTMENT IN KGPL

Konaseema Gas Power Limited (KGPL), in which your Company has invested in 15 Lakh equity shares of Rs 10/- each fully paid up with a premium of Rs 5/- per share. Total Investment of Rs 2.25 Crs.

Share Capital

The Paid up Share Capital as on 31st March, 2015 was Rs.2.85 Cr. During the year under review, the company has not issued any class of shares.

Presentation of Financial Statements

The Financial Statements for the year ended 31st March, 2015 are prepared in due compliance of the Schedule III of the Companies Act, 2013.

Cash Flow Statement

Cash Flow Statement for the year 2014-15 is annexed to the Statement of Accounts.

Directors and Key Managerial Personnel

- a) **Independent Directors** : During the year Sri.V.R.C Choudary and Sri. Gandhi Mundru was appointed as Independent Directors for a term of 5 years effective from 30th September 2014. They are not liable for retirement by rotation.
- b) **Resigned Directors** : L.N.Sharam's Resignation as Director of the Company w.e.f. 13-8-2014. Board of Directors placed on record their deep appreciation for the enormous contributions made by L.N.Sharam as Director of the Company.
- c) **Reappointment of Directors** : Sri. B. Gopala Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

Particulars of Employees and Related Statutory Disclosures

There are no employees covered under Section 197(12) of the Companies Act 2013 and the rules made thereunder.

Number of Meetings of Board

During the year, Five meetings of the Board of Directors were held on (i) 30.05.2014(ii) 13.08.2014 (iii) 30.09.2014 (iv)10.11.2014 & (v)14.02.2015 and accordingly the meetings were held within the prescribed time gap as per the provisions of the Companies Act, 2013.

Audit Committee Meetings

The Audit committee was constituted on 10.11.2014; the audit committee has met on

(i) 08.11.2014 & (ii) 13.02.2015 for Consideration of Accounts

Annual Evaluation of the Board, Committees and Individual Directors

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees as per the evaluation procedure approved by the Board.

Declaration by Independent Director(s)

All the Independent Directors have submitted declarations to the Company to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Policy on Directors Appointment and Remuneration Policy

The Board, on recommendation of Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

Auditors

At the Annual General Meeting held on 30th September 2014, M/s Brahmayya & Co., Chartered Accountants, Visakhapatnam, were appointed as statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017.

Auditors' Report

The Auditors' Report did not contain any qualification.

Cost Audit Report

Appointment of Cost Auditors is not applicable to your company.

Secretarial Audit Report :

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company had appointed M/s Venkatachalam & Co., Practicing Company Secretaries to conduct the Secretarial Audit. Secretarial Audit Report for the Financial Year 2014-15 is being annexed to the Directors Report.

Secretarial Report of M/s Venkatachalam & Co in the prescribed Form MR-3 is annexed to this Report (Annexure-II). Action has been initiated on the qualification contained in Report.

Internal Audit & Controls

The Company Designated Mr Govindappa as Internal Auditor. His scope of work includes review of Records, Ledgers, voucher checking and the internal controls applied and practiced by the Company to ensure the Assets are safeguarded and payments are made only for the benefits received and also review of operational expenditure, effectiveness of internal control procedures and systems, and assessing the internal control strengths in all areas.

The internal control procedures and systems are adequate commensurating with the nature and size of the operations of the Company.

Internal Auditors findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

Vigil Mechanism :

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Company empowered the victimized Employees or Director to approach directly the Chairman of the Audit Committee for a solution to the issue so that the victimized Employee/Director is rescued.

Risk Management Policy

Risk Management Policy has been approved by the Board of Directors and the company is taking steps to mitigate and minimize various Business risks which have impact on the operations of the company.

Extract of Annual Return (MGT-9) :

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rules made thereunder, an extract of annual return as on 31st March 2015 in prescribed Form No. MGT -9 is annexed to this Annual Report (ANNEXURE I) .

Material Changes and Comments

No material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which affecting Financial position of the Company as on 31.03.2015.