

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

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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:vbclcs@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
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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, 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.

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

Place: Hyderabad
Date: 30.05.2012

Sd/-
M.SRIMANI
Managing Director

Sd/-
L. N. SHARMA
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

AUDITORS' REPORT

TO
THE MEMBERS OF
BASIL INFRASTRUCTURE PROJECTS LIMITED
HYDERABAD.

1. We have audited the attached Balance Sheet of **M/s. BASIL INFRASTRUCTURE PROJECTS LIMITED**, Hyderabad as at 31st March, 2012, the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the said financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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 such books.
 - c) The Balance Sheet and the Profit and Loss account dealt with by this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet and the Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in Sub Section (3c) of Section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:

- i. In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2012.
- ii. In the case of the Profit and Loss account, of the profit for the year ended on that date.
- iii. In case of the Cash flow statement, of the cash flows for the year ended on that date.
- f) On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For BRAHMAYYA & CO
Chartered Accountants
(Firm Regd. No 000513S)

Sd/-

(C.V. Ramana Rao)

Partner

Membership No.018545

Place: Visakhapatnam
Date: 31st May, 2012

**ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH
3 OF OUR REPORT OF EVEN DATE:**

- 1.1 The Company has maintained proper records showing full particulars, including the quantitative details and situation of fixed assets.
- 1.2 All the fixed assets have been physically verified by the management during the year. According to the information furnished to us, no material discrepancies have been noticed on such verification.
- 1.3 The company has not disposed off any fixed assets during the year under report.
2. The company does not own any inventory. Accordingly clause 4 (ii) of the order is not applicable.
- 3.1 The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act. Accordingly clauses (4)(iii) (b), (c) and (d) of paragraph 4 of the Order are not applicable.
- 3.2 The Company has not taken unsecured loans from companies covered in the register maintained under section 301 of the Companies Act. Accordingly Clauses (4)(iv) (b) and (d) of paragraph 4 of the Order are not applicable.
4. There are adequate internal control systems commensurate with the size of the company, the nature of its business and for the sale of its services. We have not come across any continuing major weaknesses, which are required to be corrected.
- 5.1 According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been so entered.
- 5.2 The transactions made during the year in pursuance of contracts or arrangements have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public. Accordingly clause 4(vi) of the order is not applicable.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. According to the information and explanations given to us, maintenance of cost records by the Company is not required under the provisions of section 209(1) (d) of the Companies Act, 1956, in respect of the business activities carried out by the company.
- 9.1 According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including investor education and protection fund, income-tax, sales tax, wealth-tax, service tax and other material statutory dues applicable to it.

- 9.2 As at 31st March, 2012 there have been no disputed dues, which have not been deposited with the respective authorities in respect of Income tax, Wealth-tax, Service tax, Excise Duty, Customs duty and cess.
10. The company has no accumulated losses and has not incurred cash loss during the financial year covered by our audit and immediately preceding financial year.
11. The Company has neither taken any loans from a financial institution or a bank nor issued any debentures. Accordingly clause 4(xi) of the order is not applicable.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities. Accordingly clause 4 (xii) of the order is not applicable.
13. In our opinion, the Company is not a chit fund or a Nidhi/mutual benefit fund/society. Accordingly, clause 4(xiii) of the order is not applicable.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other instruments. Accordingly, clause 4(xiv) of the order is not applicable.
15. The company has not given any guarantees for loans taken by others from banks or Financial Institutions. Accordingly clause 4(xv) of the order is not applicable.
16. The company has not obtained any term loans. Accordingly, clause 4(xvi) of the order is not applicable.
17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. During the year, the company has not made any allotment of shares. Accordingly clause 4 (xviii) of the order is not applicable.
19. The Company has not issued any debentures so far. Accordingly clause 4 (xiv) of the order is not applicable.
20. During the year, the Company has not raised money by Public issue. Accordingly clause 4(xx) of the order is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For BRAHMAYYA & CO
Chartered Accountants
(Firm Regd. No 000513S)
Sd/-
(C.V. Ramana Rao)
Partner
Membership No.018545

Place: Visakhapatnam
Date: 31st May, 2012

BALANCE SHEET AS AT 31st MARCH 2012						(Rupees)
Particulars	Note No.	As at 31-03-2012		As at 31-03-2011		
1	2	3		4		
EQUITY AND LIABILITIES						
Shareholders' Funds :						
Share Capital	2.01	28,541,410		28,541,410		
Reserves & Surplus	2.02	28,576,597	57,118,007	27,860,425	56,401,835	
Non-current liabilities:						
Deferred Tax Liability	2.03	574,180		574,180		
Other Long Term Liabilities	2.04	2,960,000		3,260,000		
Long term provisions	2.05	402,729	3,936,909	516,396	4,350,576	
Current Liabilities:						
Trade payables	2.06	1,019,139		178,401		
Other current Liabilities	2.07	115,855,136		100,848,382		
Short term Provisions	2.08	732,082	117,606,357	481,404	101,508,187	
TOTAL			178,661,273		162,260,598	
ASSETS						
Non-current Assets						
Fixed Assets :						
Tangible Assets	2.09	24,045,140		25,478,449		
Non-current Investments	2.10	80,500,000	104,545,140	80,500,000	105,978,449	
Current Assets :						
Current Investments	2.11	25,722,650		25,722,650		
Trade receivables	2.12	19,155,591		14,915,203		
Cash and Bank balances	2.13	1,320,165		267,397		
Short term Loans and Advances	2.14	23,259,900		8,564,200		
Other current Assets	2.15	4,657,827	74,116,133	6,812,699	56,282,149	
TOTAL			178,661,273		162,260,598	

For and on behalf of the Board

FOR BRAHMAYYA & CO.,
Chartered Accountants

Sd/-
L.N.Sharma
Director

Sd/-
M. Srimani
Managing Director

Sd/-
D. Sumalatha
Company Secretary

Sd/-
CA. C.V. RAMANA RAO
Partner
Membership No. 018545

Place : Hyderabad
Date : 30-05-2012

Place: Visakhapatnam
Date: 31-05-2012

(Rupees)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2012					
Particulars	Refer Note No.	As at 31-03-2012		As at 31-03-2011	
I Revenue:					
Other Operating Income	2.16	7,506,186		7,761,936	
Other Income	2.17	381,587	7,887,773	130,460	7,892,396
Total Revenue			7,887,773		7,892,396
II. Expenses :					
Employee Benefit expense	2.18		1,550,123		1,722,291
Finance cost	2.19		11,351		50,095
Depreciation	2.09		1,433,309		1,558,128
Other expenses	2.20		2,693,064		1,977,161
Total expenses			5,687,847		5,307,675
III. Profit before tax (I-II)			2,199,926		2,584,721
IV. Tax expense :					
(1) Current year		1,220,000		1,200,000	
Income Tax for Earlier Years		263,754	1,483,754	(1,018,681)	181,319
V. Profit After Tax(III-IV)			716,172		2,403,402
VI. Earnings per share (Basic and Diluted)					
Significant accounting policies and notes on accounts	1 to 2		0.25		0.84

For and on behalf of the Board

FOR BRAHMAYYA & CO.,
Chartered Accountants

Sd/-
L.N.Sharma
Director

Sd/-
M. Srimani
Managing Director

Sd/-
D. Sumalatha
Company Secretary

Sd/-
CA. C.V. RAMANA RAO
Partner
Membership No. 018545

Place : Hyderabad
Date : 30-05-2012

Place: Visakhapatnam
Date: 31-05-2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2012

	2011-2012 Rupees	2010-2011 Rupees
A Cash Flow from Operating Activities		
Net Profit before Tax	2199926	2584721
Adjustment for :		
Depreciation	1,433,309	1558128
Assets Scrapped	0	14411
Provision for gratuity	(76,338)	92189
Provision for Leave encashment	(37,329)	31612
Interest paid	11351	28034
Operating profit before Working Capital Changes	<u>3530919</u>	<u>4309095</u>
Adjustment for :		
Trade and other receivables	(16801216)	(3960622)
Trade and other payables	15547492	(10254072)
Cash generated from operation	<u>2277195</u>	<u>(9905599)</u>
Income Tax paid	(1233077)	(141319)
Interest paid	(11351)	(28034)
Net Cash from operating activities (A)	<u>1032767</u>	<u>(10074952)</u>
B Cash Flow from Investing Activities		
Sale of Investments	0	10210000
Net Funds used in investing activities (B)	<u>0</u>	<u>10210000</u>
Net Increase/(Decrease) in cash and cash equivalents [A + B]	1032767	135048
Add: cash and cash equivalents as the beginning of the year	267398	132350
Cash and cash equivalents as at the end of the year	<u>1300165</u>	<u>267398</u>

For and on behalf of the Board

FOR BRAHMAYYA & CO.,
Chartered Accountants

Sd/- Sd/- Sd/-
L.N.Sharma **M. Srimani** **D. Sumalatha**
Director Managing Director Company Secretary

Sd/-
CA. C.V. RAMANA RAO
Partner
Membership No. 018545

Place : Hyderabad
Date : 30-05-2012

Place: Visakhapatnam
Date: 31-05-2012

Note No.2

Amount in Rs.

Note No.2.01 : Share Capital

Particulars	As at 31-03-2012		As at 31-03-2011	
	Number	₹	Number	₹
a) Authorised : Equity shares of Rs.10/- Each	30,000,000	300,000,000	30,000,000	300,000,000
b) (i) Issued : Equity shares of Rs.10/- Each	3,000,000	30,000,000	3,000,000	30,000,000
c) (ii) Subscribed and Fully Paid up: Equity shares of Rs.10/- Each	2,854,141	28,541,410	2,854,141	28,541,410
d)(iii) Amount received on Forfeited Shares				
Total	2,854,141	28,541,410	2,854,141	28,541,410

e) Equity shares held by each shareholder holding more than 5 percent shares

Name of the Share holder	As at 31-03-2012		As at 31-03-2011	
	% of share holding	No of Equity shares	% of share holding	No of Equity shares
M.S.P. Rama Rao	8.10%	231,244	5.56%	158,784
Padmakshi Investments (P) Ltd	5.81%	165,900	5.81%	165,900
Yasaswini Investments (P) Ltd	5.73%	163,400	5.73%	163,400
Maha Hotel Projects (P) Ltd	9.46%	270,000	9.46%	270,000

Note No. 2.02: Reserves and Surplus

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
a. Capital Reserves: (Profit on reissue of forfeited shares)		33772		33772
b) General Reserve		8,243,000		8,243,000
c) Surplus				
Balance at the beginning of the year		19,583,653		17,180,251
(+) Net profit for the year		716,172		2,403,402
		28,576,597		27,860,425

Note No.2.03: Deferred tax liability

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Deferred tax liability: Timing difference between book and tax depreciation		574180		574,180
Total		574,180		574,180

Note No.2.04: Other Long Term Liabilities

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Deposits Refundable		2,960,000		3,260,000
Total		2,960,000		3,260,000

Note No.2.05: Long Term Provisions

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Employee Benefits :				
Provision for Gratuity		358,532		434,870
Provision for Compensated leaves		44,197		81,526
Total		402,729		516,396

Note No.2.06: Trade Payables

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Trade Payables:				
-Others		1,019,139		178,401
Total		1,019,139		178,401

Note No.2.07: Other Current Liabilities

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Advances from customers		111,059,329		82,059,329
Other Liabilities		4,644,928		4,161,648
Creditors for other finances		80,000		14,577,000
Due to Directors		70,879		50,405
Total		115,855,136		100,848,382

Note No.2.08: Short Term Provisions

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Provision for Gratuity		7,332		0
Provision for Compensated leaves		972		0
Provision for Income Tax (net of Prepaid Taxes)		723,778		481,404
Total		732,082		481,404

Note No. 2.09 - Refer Page No. 21

Note No.2.10: Non-Current Investments

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Investments (At Cost) Non-Trade, Long-Term				
(I) Equity Shares:				
Equity Shares of Rs.10/- each fully paid up in Core Hotels Ventures (P) Ltd	8050000	80,500,000	8050000	80,500,000

Note No.2.11: Current Investments

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
i) Investment in Equity Shares				
I) Quoted				
Equity Shares of Rs.10/- each fully paid up in : M/s VBC Industries Ltd	4182980	21,077,650	4182980	21,077,650
II) Unquoted				
Equity Shares of Rs.10/- each fully paid up in : # M/s Konaseema Gas Power Ltd	39950	3,995,000	39950	3,995,000
Equity Shares of Rs.10/- each fully paid up in : M/s Hillfort Palace Pvt. Ltd	65000	650,000	65000	650,000
Total		25,722,650		25,722,650
Aggregate Market Value of Quoted Investments		28,402,434		57,139,507

Note No.2.12:Trade Receivables

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Unsecured and Considered Good				
Due for more than Six Months		15,927,069		11,858,344
Other Debts		3,228,522		3,056,859
Total		19,155,591		14,915,203

Note No.2.13: Cash and Bank balances

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
a. Balances with banks		788,398		267,397
b. Fixed Deposit with Kotak Bank		531,767		-
c. Cash on hand		0		0
Total		1,320,165		267,397

Note No.2.14:Short-Term Loans and Advances

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Unsecured, considered good				
Advances Recoverable		23,259,900		8,564,200
Total		23,259,900		8,564,200

Note No.2.15:Other Current Assets

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Deposits Recoverable		30,779		30,779
Income Tax refund receivable		186,578		2,577,222
Prepaid Expenses		4,440,470		4,204,698
Total		4,657,827		6,812,699

Note No.2.16: Other Operating Income

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Rent Received		5,636,686		5,721,936
Hire charges		1,869,500		2,040,000
Total		7,506,186		7,761,936

Note No.2.17: Other Income

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Interest received from banks		32,010		0
Interst On IT refund		349,577		130,460
Total		381,587		130,460

Note No.2.18: Employee Benefit Expense

Particulars	As at 31-03-2012		As at 31-03-2011	
	Details	₹	Details	₹
Salaries & Allowances		534,746		480,590
Staff Welfare Expenses		40,740		37,900
Managing Director's Remuneration		1,080,000		1,080,000
Gratuity		(69,006)		92,189
Leave wages		(36,357)		31,612
Total		1,550,123		1,722,291

Note no. 2.18 (a) Employee benefit plans:

As per Accounting Standard 15 - "Employee Benefits" issued by the Institute of Chartered-Accountants of India the disclosure of employee benefits as defined in the Accounting Standard are given hereunder :

The present value in respect of obligation towards gratuity liability is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation. The obligation for compensatory absences is recognised in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit obligations

Particulars	Gratuity (Non-funded)		Compensated absences (Non-funded)	
	This year	Previous year	This year	Previous year
Defined Benefit obligation at beginning of the year	434,870	342,681	81,526	49,914
Interest Cost	36,094	27,414	6,767	3,993
Current Service Cost	46,924	58,801	23,570	31,210
Benefits paid	-	0	0	0
Actuarial loss / (gain) on obligation	(152,024)	5,974	(66,694)	(3,591)
Defined Benefit obligation at year end	365,864	434,870	45,169	81,526

II. Reconciliation of opening and closing balances of fair value of plan assets and fair value of assets and obligations does not arise as the company has no planned assets in respect of its obligation towards gratuity.

III. Expenses recognized during the year (in the Profit and loss a/c)

Particulars	Gratuity (Non-funded)		Compensated absences (Non-funded)	
	This year	Previous year	This year	Previous year
Current Service Cost	46,924	92,189	23,570	31,612

IV. Principals Actuarial Assumptions

Particulars	Gratuity (Non-funded)		Compensated absences (Non-funded)	
	This year	Previous year	This year	Previous year
Discount Rate	8.50%	8.30%	8.50%	8.30%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Attrition Rate	5.00%	5.00%	5.00%	5.00%
Expected rate of Return on plan assets	0.00%	0.00%	0.00%	0.00%

As per the enterprise's accounting policy actuarial gains and losses are recognized immediately during the same accounting year itself. The above information is certified by the Actuary.

Note No.2.19: Finance Cost

Particulars	For the Year Ended 31-03-2012		For the Year Ended 31-03-2011	
		₹		₹
Interest -Others		519		28,034
Bank Charges		10,832		22,061
Total		11,351		50,095

Note No.2.20: Other Expenses

Particulars	For the Year Ended 31-03-2012		For the Year Ended 31-03-2011	
		₹		₹
Payment to Auditors:				
As auditors	45,000		45,000	
for Certification	25,000	70,000	15,000	60,000
Insurance	730,662		730,660	
Rates & Taxes	832,814		290,290	
Director's Travelling Expenditure	107,602		464,626	
Consultancy Charges	114,155		20,500	
Printing and Stationery	240,292		22,188	
Repairs & Maintenance	223,542		106,289	
Other Expenses	373,997	2,623,064	282,608	1,917,161
Total		2,693,064		1,977,161

Note -2.09 TANGIBLE ASSETS

FIXED ASSETS		GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Asat 01.04.2011	Additions	sales/ adjust- ments	Asat 31.03.2012	Upto 31.03.2011	For the year	On Deduc- tions	Up to 31-03-2012	Asat 31.03.2012	Asat 31.03.2011
1	Office Buildings	32644133	0	0	32644133	8290760	1217668	0	9508428	23135705	24353373
2	Furniture & Fixtures	1495178	0	0	1495178	1366298	23327	0	1389625	105553	128880
3	Office Equipment	2885129	0	0	2885129	2325796	79211	0	2405007	480122	559333
4	Vehicles	2760739	0	0	2760739	2323876	113103	0	2436979	323760	436863
	Total	39785179	0	0	39785179	14306730	1433309	0	15740039	24045140	25478449
	Previous Year	40019006	0	233827	39785179	12968019	1558128	219416	14306730	25478449	27050987

ACCOUNTING POLICIES & NOTES ON ACCOUNTS:

(Annexed to and forming part of Balance Sheet at and Profit & Loss Account for the year ended 31st March, 2012)

1. ACCOUNTING POLICIES**I. GENERAL**

Financial statements are prepared on accrual basis under the historical cost convention and in accordance with Accounting Standards specified in sub section (3c) of section 211 of the companies Act, 1956.

II. TANGIBLE ASSETS:

Fixed Assets are stated at cost, less accumulated depreciation. Cost of acquisition of Fixed Assets is inclusive of freight, duties, taxes, Incidental Expenses relating to the cost of acquisition, the cost of installation/erection as applicable.

III. INVESTMENTS:

Investments are stated at cost, inclusive of all expenses relating to acquisition. Provision for diminution in the market value of long- term investments is not made, if in the opinion of the management such diminution is temporary in Nature.

IV. DEPRECIATION:

Depreciation on fixed assets is provided under written down value method in accordance with the schedule XIV of the Companies Act, 1956.

V. EMPLOYEE BENEFITS :

Liability for Employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard AS-15(Revised) " Employee Benefits" issued by the Institute of Chartered Accountants of India.

a) Gratuity

Retirement Benefit in the form of Gratuity is considered as Defined Benefit Obligation and is provided for, on the basis of an actuarial valuation using the projected unit credit method as at the date of Balance Sheet.

b) Other Long-Term Benefits

Long-Term Compensated Absences are provided on the basis of an actuarial Valuation using the projected Unit Credit Method as at the date of Balance Sheet.

Actuarial gain/losses if any are immediately recognized in the Profit & Loss Account.

2. NOTES ON ACCOUNTS

Particulars	2011-12 (Rupees)	2010-11 (Rupees)
1 Expenditure incurred in foreign currency on account of travel	Nil	25100
2 Amounts due as on 31-03-2012 to -		
a. Due to SSI units- outstanding for more than 30 days	Nil	Nil
b. Due to Micro industries- outstanding for more tha 45 days	Nil	Nil
3 The Company operated in one busines segment of rent/hire and are no geographical segments to be reported.		
4A. Related party Transactions :		
Related parties in terms of AS-18 issued by the institute of Chartered Accountants of India.		
i. Key Management Personnel	-	
Mrs. M. Srimani, Managing Director		
ii. Relatives of Key Management Personnel	-	
Mr.M.S.P.Rama Rao		
iii. Companies/Firms/Other Concerns in which Key Management Personnel or her relatives hold substantial interest :		
-Konaseema Gas Power Ltd		
-Konaseema Power Corporation Ltd		
- Indo-Us Coal Washeries Ltd		
- Golden Jubilee Hotels Ltd		
- VBC Industries Ltd		
- Hillfort Palace (P) Ltd		
- I I C Hotels (P) Ltd		
- Core Hotels Ventures (P) Ltd.		
- Available Resources (p) Ltd		
B. Transactions carried out with related parties :		
Nature of transaction		
a. Transactions pertaining to Key Management Personnel-		
i. Remuneration	1080000	1080000
ii. Amount payable at the end of the year	70879	50405
b. Transactions with other related parties -		
i. Rent & Hire Charges Received	5781936	5781936
ii. Amount invested during the year	0	0
iii. Amount invested up to the end of the year	106222650	106222650
iv. Amount payable at the end of the year	114019329	95601329
v. Amount receivable at the end of the year	33531433	14749708

BASIL INFRASTRUCTURE PROJECTS LIMITED**2011-2012**

5.	Earnings per Share (EPS)		
a.	Net Profit available for Equity Share Holders	716172	2403402
b.	Weighted average number of equity shares (Used as denomination for calculating EPS)	2854141	2854141
c.	Basic and Diluted Earning per share of Rs10/-each	0.25	0.84

10 Previous years figures have been regrouped wherever necessary.

For and on behalf of the Board

FOR BRAHMAYYA & CO.,
Chartered Accountants

Sd/-
L.N.Sharma
Director

Sd/-
M. Srimani
Managing Director

Sd/-
D. Sumalatha
Company Secretary

Sd/-
CA. C.V. RAMANA RAO
Partner
Membership No. 018545

Place : Hyderabad
Date : 30-05-2012

Place: Visakhapatnam
Date: 31-05-2012

Basil Infrastructure Projects Limited

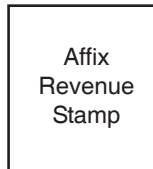
Registered Office :6-2-913/914, Sixth Floor, Progressive Towers,
Khairatabad, Hyderabad – 500 004

PROXY FORM

I/We.....of..... in the district of being a member(s) of the above named company, hereby appoint of in the district of or failing him of..... in the district of as my/our proxy to attend and vote for me/ us and on my/our behalf, at the 26th Annual General Meeting of the Company to be held on Friday, the 28th day of 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 , and at any adjournment thereof.

Signed this

Date.....



Folio No.....

Note: Proxies must reach the Company’s Registered Office not less than 48 hours before the time fixed for the meeting.

Basil Infrastructure Projects Limited

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

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional slips on request.

NAME & ADDRESS OF THE SHAREHOLDER	Folio No.
.....
.....
.....

I hereby record my presence at the 26th ANNUAL GENERAL MEETING of the Company held on Friday, the 28th day of 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

SIGNATURE OF THE SHAREHOLDER OR PROXY.

**BOOK-POST
PRINTED MATTER**

If undelivered please return to :

BASIL INFRASTRUCTURE PROJECTS LIMITED

[Formerly known as VBC Finance & Leasing Limited]

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