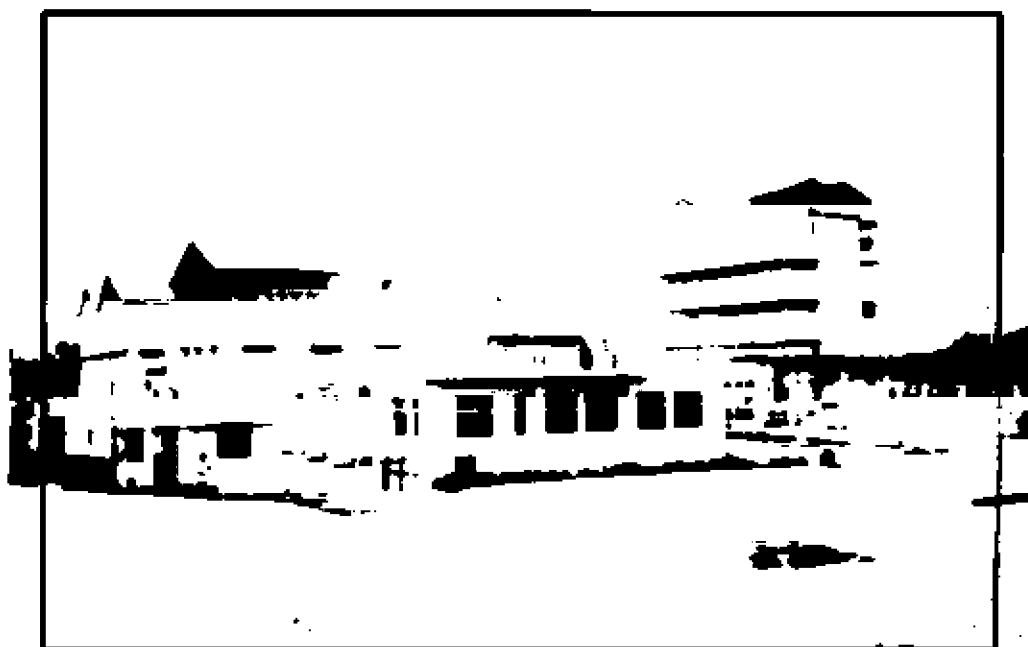






**ISP Division - Hyderabad**



**SBT Biodiesel Plant - Samsthan Narayanpur (Village & Mandal), Nalgonda Dist.**

|   |  |  |
|---|--|--|
| <b>Board of Directors</b>                     | <b>:</b> Mr. Y. Anand Swaroop<br>Mr. N.Satish Kumar<br>Mr. B.H.R. Balaji<br>Mr. K.Radha Krishna<br>Mr. B.Sreedhara Reddy<br>Mr. K.Tejesh Kumar<br>Ms. T. Rohini Reddy<br>Mr. C. Raveendra Kumar<br>Mr. Kishor Shah<br>Mr Christian A Schmidt   | Chairman<br>Managing Director<br>Executive Director<br>Director - Finance<br>Director - Admin.<br>Director<br>Director<br>Director<br>Director<br>Director |
| <b>Company Secretary</b>                      | <b>:</b> Ms G Anupama  |  |
| <b>Regd. Office</b>                           | <b>:</b> 3A, 3rd Floor, Samrat Complex,<br>Saifabad, Hyderabad-04<br>Tel: (040) 2324 1999<br>Fax: (040) 2324 1444<br>Website: <a href="http://www.sol.net.in">www.sol.net.in</a><br>Email: <a href="mailto:info@sol.net.in">info@sol.net.in</a>  |  |
| <b>Auditors</b>                               | <b>:</b> M/s. P. Murali & Co.,<br>Chartered Accountants<br>6-3-655/2/3, Somajiguda<br>Hyderabad – 500 082  |  |
| <b>Registrars &amp; Share Transfer Agents</b> | <b>:</b> M/s. Aarthi Consultants Pvt. Ltd.<br>1-2-285, Domalguda, Hyderabad-29.<br>Tel: (040) 27642217 / 27638111<br>Fax: (040) 27632184<br>Email: <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a>  |  |
| <b>Bankers</b>                                | <b>:</b> <b>Bank of India</b><br>Banjara Hills Branch<br>Chandra Apts, Road No.7,<br>Hyderabad – 500 034.<br><br><b>UCO Bank</b><br>Hindustan Shipyard Colony,<br>Gandhigram, Visakhapatnam – 530 005<br><br><b>State Bank of Hyderabad</b><br>Overseas Branch<br>6-3-652, “KAUTILYA”<br>Somajiguda, Hyderabad – 500 082 |  |

## NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of the Company will be held on Thursday the 30th September 2010 at 11.30 am at Dream Valley, Srinagar, Gandipet, Hyderabad 500 075 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2010 and Audited Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report.
2. To appoint a Director in place of Mr Y Anand Swaroop, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr C Raveendra Kumar who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s.P.Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS:

5. To Consider, and if thought fit, to pass with or without modification(s) , the following resolution as an Ordinary Resolution

#### **Appointment of Mr BHR Balaji as Executive Director**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII (as amended from time to time) to the said Act, Mr. BHR Balaji be and is hereby appointed as Executive Director of the Company for a period of 5 years with effect from 5th January 2010 at

a remuneration and on such terms and conditions as detailed below:

#### **I. Salary**

Rs.2,00,000/- (Rupees Two lakhs only) per month

#### **II. Commission**

1% of the amount of Net Profit before taxes (but after charging all expenses including depreciation and managerial compensation) as appearing in the Audited Annual Accounts for each Financial Year of the Company, unless otherwise decided by the Board for any financial Year, subject however, that the total remuneration (i.e., salary, perquisites and commission) in any one financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may, for the time being, be in force.

#### **III. Perquisites**

Perquisites as follow will be paid and / or provided in addition to salary, subject however that the amount of perquisites, if taxable as per Income Tax Act, 1961, shall be restricted to total remuneration as per Part II of Schedule XIII to the Companies Act, 1956, as applicable from time to time.

#### **Part – A**

##### **a] Medical Reimbursement**

Reimbursement of medical expenses actually incurred for self and family including dependent mother and father, subject to a ceiling of one month's salary per year or 3 months' salary in a block of 3 years.

##### **b] Leave Travel Concession**

For self and family including dependent father and mother, to and from any place

in India, once in a year in accordance with the rules of the Company.

**c) Club Fees**

Fees of Club subject to a maximum of 2 clubs will be allowed, provided that no admission or life membership fees shall be paid.

**Part – B**

**a) Provident Fund**

Company's contribution to Provident Fund as per the scheme of the Company.

**b) Pension / Superannuation Fund**

Company's contribution to Pension / Superannuation Fund in accordance with the scheme of the Company.

**c) Gratuity**

As per the rules of the Company, payable in accordance with the approved fund at a rate not exceeding one-half month's salary for each completed year of service.

**Part – C**

**a) Car**

Use of Company's car with driver for business purposes.

**b) Telephone**

Free Telephone / Communication facilities at residence for business purposes.

**IV. Other Benefits**

**Leave**

On full pay and allowances as per rules of the Company, but not more than one month's leave for every 11 months of service. Leave not availed of shall be allowed to be encashed at the end of the tenure and the same will not be included in the computation of the ceiling on perquisites.

**V. Overall Remuneration**

The aggregate of salary, commission and perquisites in any financial year shall not

exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may be, for the time being, in force. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration in excess of that entitled under Section II of Part II of Schedule XIII to the Companies Act, 1956, but not exceeding the overall limits prescribed under the Act, the same shall be determined and decided by the Board.

**VI. Minimum Remuneration**

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under section II of Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof, as may be for the time being in force.

**VII. Three month's notice shall be required on either side for termination of services.**

**6. To Consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution**

**Appointment of Mr K Radha Krishna as Director Finance**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII (as amended from time to time) to the said Act, Mr. K Radha Krishna be and is hereby appointed as Director Finance of the Company for a period of 5 years with effect from 5th January 2010 at a remuneration and on such terms and conditions as detailed below:

I. Salary  
Rs.2,00,000/- (Rupees Two lakhs only) per month

II. Commission  
1% of the amount of Net Profit before taxes (but after charging all expenses including depreciation and managerial compensation) as appearing in the Audited Annual Accounts for each Financial Year of the Company, unless otherwise decided by the Board for any financial Year, subject however, that the total remuneration (i.e., salary, perquisites and commission) in any one financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may, for the time being, be in force.

III. Perquisites  
Perquisites as follow will be paid and / or provided in addition to salary, subject however that the amount of perquisites, if taxable as per Income Tax Act, 1961, shall be restricted to total remuneration as per Part II of Schedule XIII to the Companies Act, 1956, as applicable from time to time.

#### Part – A

a) Medical Reimbursement  
Reimbursement of medical expenses actually incurred for self and family including dependent mother and father, subject to a ceiling of one month's salary per year or 3 months' salary in a block of 3 years.

b) Leave Travel Concession  
For self and family including dependent father and mother, to and from any place in India, once in a year in accordance with the rules of the Company.

c) Club Fees  
Fees of Club subject to a maximum of 2 clubs will be allowed, provided that no admission or life membership fees shall be paid.

#### Part – B

a) Provident Fund  
Company's contribution to Provident Fund as per the scheme of the Company.

b) Pension / Superannuation Fund  
Company's contribution to Pension / Superannuation Fund in accordance with the scheme of the Company.

c) Gratuity  
As per the rules of the Company, payable in accordance with the approved fund at a rate not exceeding one-half month's salary for each completed year of service.

#### Part – C

a) Car  
Use of Company's car with driver for business purposes.

b) Telephone  
Free Telephone / Communication facilities at residence for business purposes.

#### IV. Other Benefits

##### Leave

On full pay and allowances as per rules of the Company, but not more than one month's leave for every 11 months of service. Leave not availed of shall be allowed to be encashed at the end of the tenure and the same will not be included in the computation of the ceiling on perquisites.

#### V. Overall Remuneration

The aggregate of salary, commission and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other

applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may be, for the time being, in force. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration in excess of that entitled under Section II of Part II of Schedule XIII to the Companies Act, 1956, but not exceeding the overall limits prescribed under the Act, the same shall be determined and decided by the Board.

#### VI. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under section II of Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof, as may be for the time being in force.

#### VIII. Three month's notice shall be required on either side for termination of services.

7. To Consider, and if thought fit, to pass with or without modification(s) , the following resolution as an Ordinary Resolution

**Appointment of Mr B Sreedhara Reddy as Director Administration**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII (as amended from time to time) to the said Act, Mr. B Sreedhara Reddy be and is hereby appointed as Director Administration of the Company for a period of 5 years with effect from 5th January 2010 at a remuneration and on such terms and conditions as detailed below:

- I. **Salary**  
Rs.2,00,000/- (Rupees Two lakhs only) per month
- II. **Commission**  
1% of the amount of Net Profit before taxes (but after charging all expenses including depreciation and managerial compensation) as appearing in the Audited Annual Accounts for each Financial Year of the Company, unless otherwise decided by the Board for any financial Year, subject however, that the total remuneration (i.e., salary, perquisites and commission) in any one financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may, for the time being, be in force.
- III. **Perquisites**  
Perquisites as follow will be paid and / or provided in addition to salary, subject however that the amount of perquisites, if taxable as per Income Tax Act, 1961, shall be restricted to total remuneration as per Part II of Schedule XIII to the Companies Act, 1956, as applicable from time to time.

#### Part - A

- a) **Medical Reimbursement**  
Reimbursement of medical expenses actually incurred for self and family including dependent mother and father, subject to a ceiling of one month's salary per year or 3 months' salary in a block of 3 years.
- b) **Leave Travel Concession**  
For self and family including dependent father and mother, to and from any place in India, once in a year in accordance with the rules of the Company.

c) **Club Fees**

Fees of Club subject to a maximum of 2 clubs will be allowed, provided that no admission or life membership fees shall be paid.

**Part – B**

a) **Provident Fund**

Company's contribution to Provident Fund as per the scheme of the Company.

b) **Pension / Superannuation Fund**

Company's contribution to Pension / Superannuation Fund in accordance with the scheme of the Company.

c) **Gratuity**

As per the rules of the Company, payable in accordance with the approved fund at a rate not exceeding one-half month's salary for each completed year of service.

**Part – C**

a) **Car**

Use of Company's car with driver for business purposes.

b) **Telephone**

Free Telephone / Communication facilities at residence for business purposes.

**IV. Other Benefits**

**Leave**

On full pay and allowances as per rules of the Company, but not more than one month's leave for every 11 months of service. Leave not availed of shall be allowed to be encashed at the end of the tenure and the same will not be included in the computation of the ceiling on perquisites.

**V. Overall Remuneration**

The aggregate of salary, commission and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies

Act, 1956 read with Schedule XIII to the said Act, as may be, for the time being, in force. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration in excess of that entitled under Section II of Part II of Schedule XIII to the Companies Act, 1956, but not exceeding the overall limits prescribed under the Act, the same shall be determined and decided by the Board.

**VI. Minimum Remuneration**

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under section II of Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof, as may be for the time being in force.

**IX. Three month's notice shall be required on either side for termination of services.**

**8. To Consider, and if thought fit, to pass with or without modification(s) , the following resolution as an Special Resolution**

**Voluntary delisting of Securities from Bangalore Stock Exchange Limited.**

"Resolved That subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed thereunder, listing agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorised to seek voluntarily delisting of its securities from Bangalore stock exchange Limited."

"Resolved Further that the securities of the company shall continue to be listed on the



stock exchange having nation wide trading terminals viz the stock exchange Mumbai and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the company."

"Resolved further that the Board of directors of the company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution.

On behalf of the Board

Place : Hyderabad

N. Satish Kumar

Date : 10.08.2010

Managing Director

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THERE AT INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. An instrument appointing proxy to be effective must be lodged at the Registered Office of the Company at least 48 hours before the meeting.
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is herewith annexed.
4. The Register of Members / Register of Beneficiaries and Share Transfer Books of the Company will remain closed from Tuesday 21st September 2010 to Friday 24th September 2010 (both days inclusive).
5. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. Members holding shares in physical form are requested to notify / send any change in their address to the Company's Share Transfer Agents, or to the Company at its registered office.
7. Members holding shares in dematerialisation form are requested to notify/send any change in their address to the concerned depository participant(s).
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the company. Therefore, the shareholders willing to avail this facility may make nomination in form 2B.
10. Shareholders / proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting.
11. At the ensuing Annual General Meeting, Mr Y Anand Swaroop and Mr C Raveendra Kumar retire by rotation and being eligible offered themselves for reappointment. Pursuant to Clause 49 of the Listing Agreement, brief profile of each of these directors is given below:

- A. Mr Y Anand Swaroop, born in 1965, is a graduate in Mechanical Engineering from Osmania University, MBA and M Phil in Econometrics from London School of Economics.

Mr Anand Swaroop has more than 22 years of IT Sector Experience and has proven his abilities in Various Capacities. He has indepth knowledge in IT Market, its potential. His knowledge, experience and relations help our Company manifold. The Board is of the opinion that his appointment as director will be in the best interest of the Company.

- B. Mr C Raveendra Kumar, born in 1967 is a Graduate in Civil Engineering from Nagarjuna University, Guntur, Andhra Pradesh. After his graduation he was involved in several construction projects including My Home Constructions, Gayatri Constructions, Hindustan Cables Limited etc. He has more than 14 years of experience in civil construction and 6 years in Pre Engineered Steel Buildings. The Board is of the opinion that his appointment as director will be in the best interest of the Company. He is not director in any other Company.

On behalf of the Board

Place : Hyderabad

N. Satish Kumar

Date : 10.08.2010

Managing Director

## EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

### Item 5: Appointment of Mr BHR Balaji as Executive Director of the Company

The term of appointment of Mr BHR Balaji as Executive Director of the Company expired on 04th January, 2010 and therefore, the Board of Directors in its meeting held on 02th January, 2010, reappointed Mr BHR Balaji as Executive Director for a period of five years with effect from 05th January, 2010 as per the terms and conditions and remuneration mentioned in the notice at resolution no. 5

As per the provisions of Schedule XIII of the Companies Act, 1956, re appointment of Mr BHR Balaji as Executive Director, requires the approval of the members in the General meeting. Hence, the above resolution at item no.5 is submitted to the meeting for ratification by the members of the Company by passing an ordinary Resolution.

Mr BHR Balaji aged 38 years is graduate in Electronics & Telecommunication Engineering. Prior to promoting Southern online he worked in Choice Solutions Pvt Ltd, SagarSoft (India) Ltd, Worldwide and with Worldwide Web Institute as Technical Consultant. Mr Balaji has vast knowledge and experience in administration and support of Internet/ Intranet for corporate networks, Enterprise Solutions and other products. He has also development experience on Web-based application. He has more than a decade experience in the IT field. His professional knowledge and expertise would be of immense useful to the efficient functioning of the technical department. He is on the Board of the Company since November 1998. He is currently looking after ISP operations. He is also director of Southern Biofe Biofuels Pvt Ltd a wholly owned subsidiary of your company.

He does not hold any committee Memberships in any company.