

# **18th Annual Report 2015-2016**



**SOUTHERN ONLINE BIO TECHNOLOGIES LTD**

Smart Solutions and Eco Friendly

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Ms T Rohini Reddy	- Non Executive Chairperson & Independent Director (DIN: 00638514)
Mr N Satish Kumar	- Managing Director (DIN: 00552358)
Mr K Radha Krishna	- Director & CFO (DIN: 01585940)
Mr B Sreedhara Reddy	- Director Administration (DIN: 01302512)
Mr BHR Balaji	- Executive Director (DIN: 00552538)
Mr Ashiwini Kumar Tripathi	- Non Executive & Independent Director (DIN: 00388913)
Mr Bachala Ashok	- Non Executive & Independent Director (DIN: 06856936)
Mr G Viswanath	- Nominee Director (Bank of India) (DIN: 07192232)

### **COMPANY SECRETARY**

Ms. D. Manoranjani

### **AUDIT COMMITTEE**

Ms. T Rohini Reddy	- Chairperson
Mr. Bachala Ashok	- Member
Mr. Ashiwini Kumar Tripathi	- Member

### **NOMINATION & REMUNERATION COMMITTEE**

Mr. Bachala Ashok	- Chairman
Ms. T Rohini Reddy	- Member
Mr. Ashiwini Kumar Tripathi	- Member

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Ms. T. Rohini Reddy	- Chairperson
Mr. N Satish Kumar	- Member
Mr. K Radha Krishna	- Member

### **INDEPENDENT DIRECTORS COMMITTEE**

Ms. T Rohini Reddy	- Chairperson
Mr. Bachala Ashok	- Member
Mr. Ashiwini Kumar Tripathi	- Member

### **RISK MANAGEMENT COMMITTEE**

Ms. T. Rohini Reddy	- Chairperson
Mr. N Satish Kumar	- Member
Mr. K Radha Krishna	- Member

### **BANKERS**

Bank of India	- Banjara Hills Branch, Hyderabad
UCO Bank,	- Banjara Hills Branch, Hyderabad
State Bank of Hyderabad	- Somajiguda Branch, Hyderabad
Punjab National Bank	- Sanath Nagar Branch, Hyderabad

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### **STATUTORY AUDITORS**

M/s. P.Murali & Co.,  
Chartered Accountants  
6-3-655/2/3, Somajiguda,  
Hyderabad - 500082.

### **COST AUDITORS**

**M/s. Lavanya & Associates,**  
29, Shalivahana Nagar, Srinagar Colony,  
Hyderabad - 500073

### **SECRETARIAL AUDITOR**

**M/s. S S Reddy & Associates,**  
Practising Company Secretaries  
Plot No. 6-3-354/13/A1, Surya Teja Apartments,  
Hindi Nagar, Panjagutta, Hyderabad - 500 034

### **REGISTRAR & TRANSFER AGENTS :**

Aarthi Consultants Pvt Ltd  
1-2-285, Domalguda, Hyderabad - 500 029  
Tel No.040-27638111  
E-mail: info@arthiconsultants.com

### **WORKS**

- i) Survey Nos.6 & 7,  
Samsthan Narayanpur (V&M),  
Nalgonda Dist, Telangana.
- ii) Plot No.45/A, APSEZ,  
Atchutapuram, Rambilli Mandal  
Visakhapatnam - 531 011  
Andhra Pradesh

### **REGISTERED OFFICE**

# 8-3-833/173, Kamalapuri Colony,  
Phase-II, Hyderabad – 500 073  
Tel: (040) 4922 1999, Fax(040) 4922 1998  
E-mail : info@sol.net.in

**CIN** : L72900TG1998PLC030463  
**WEBSITE** : [www.sol.net.in](http://www.sol.net.in)  
**INVESTORS EMAIL ID** : [investors@sol.net.in](mailto:investors@sol.net.in)

## **NOTICE OF 18TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **18th Annual General Meeting** of the members of **SOUTHERN ONLINE BIOTECHNOLOGIES LIMITED** will be held on Friday, 30th September, 2016 at 10.30 AM at Dwaraka Conference Hall, Plot No.73, Reliance Chambers, Bandlaguda Cross Roads, Rajendranagar Mandal, Hyderabad - 500030 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements (standalone and consolidated) of the Company for the year ended 31 March 2016, including the audited Balance Sheet as at 31 March 2016 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr BHR Balaji who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the re-appointment of Statutory Auditor.

"RESOLVED that pursuant to the provisions of sections 139 and other applicable provisions of the Companies Act, 2013, (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the company hereby ratifies the appointment of M/s. P Murali & Co., Chartered Accountants, bearing ICAI Registration No.: 007257S as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

### **SPECIAL BUSINESS:**

#### **4. RE-APPOINTMENT OF MR. N. SATISH KUMAR AS MANAGING DIRECTOR OF THE COMPANY**

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

"RESOLVED that pursuant to approval of the Board as per the recommendation of the Nomination & remuneration committee and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. N. Satish Kumar (DIN 00552358), Managing Director of the Company for a period of 3 years commencing from 27th May, 2016 to 26th May, 2019 on a monthly remuneration of Rs.2,00,000 and on such terms and conditions as set out in the explanatory statement annexed to the notice."

"Resolved further that the Board of Directors be and are hereby authorized to alter or vary the scope of remuneration of Mr. N. Satish Kumar (DIN 00552358), Managing Director including the monetary value thereof, from time to time as may be considered appropriate within and as per the provisions and Schedule V of the Companies Act, 2013."

"Resolved further that any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual expedient or proper to give effect to the above resolution."

## 5. RE-APPOINTMENT OF COST AUDITORS

### **TO RATIFY THE REMUNERATION PAYABLE TO COST AUDITORS, M/S. LAVANYA & ASSOCIATES COST ACCOUNTANTS FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2017.**

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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Lavanya & Associates, Cost Accountants (Firm Registration No.101257 ) appointed by the Board of Directors of the Company as cost auditors for the financial year ending 31st March 2017, be paid a remuneration of Rs.20,000/- (Rupees Twenty Thousand) per annum.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

By Order of the Board  
For Southern Online Bio Technologies Limited

Sd/-  
N Satish Kumar  
Managing Director  
(DIN:00552358)

Place : Hyderabad  
Date : 13.08.2016

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (both days inclusive) for the purpose of annual closure.
4. The Company's Equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and the Company has paid the Listing Fees to the said Stock Exchange.
5. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Aarthi Consultants Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Aarthi Consultants Private Limited
7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Aarthi Consultants Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. Regulation 36 of SEBI (LODR) Regulations, 2015 permits sending of soft copies of annual reports to all those members who have registered their email addresses for the purpose.

The Companies Act, 2013 has also recognized serving of documents to any member through electronic mode. As per Central Depository Securities Limited, email addresses made available by the Depository for your respective DPs accounts as part of the beneficiary position downloaded

from the Depositories from time to time will be deemed to be your registered email address for serving notices/documents including those covered under Section 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the applicable rules. In light of the requirements prescribed by the aforesaid circulars, for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Annual Report would be dispatched.

11. Shareholders are requested to furnish their e-mail IDs to enable the Company to forward all the requisite information in electronic mode and support the green initiative. In case of the Shareholders holding shares in demat form the email IDs of the shareholders registered with DP and made available to the Company shall be the registered email IDs unless communication is received to the contrary.
12. The Securities and Exchange Board of India has notified that the shareholder/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other Corporate Action. Accordingly, all the shareholders/transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company's RTA while transacting in the securities market including transfer, transmission or any other corporate action.
13. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.
14. The members whose names appear on the Register of Members/ list of beneficial owners as on 23rd September, 2016 are eligible to participate in e-voting on the resolutions set forth in this notice.
15. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at [www.evotingindia.com](http://www.evotingindia.com). The remote e-voting period will commence at 9:00 A.M. (IST) on 27th September, 2016 and will end at 5:00 P.M. (IST) on 29th September, 2016. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled.
16. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
17. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice, the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
18. The Company has appointed Mr. S. Sarveswar Reddy, Company Secretary in Practice, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.

19. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
20. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at M/s Aarthi Consultants Private Limited, Domalguda, Hyderabad. Further, kindly note that members holding shares in physical form and intending to transfer their shares have to furnish the PAN particulars of transferee along with the share transfer deeds for affecting the physical share transfer.
21. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date of 23rd September, 2016, may obtain User ID and Password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for e-voting, then you can use your existing User ID and Password for casting your vote.
22. Please note that, any queries pertaining to accounting related aspects may be posted /handed over to the Secretarial Department at the Registered Office of the Company at least 48 hours before the Annual General Meeting, so that the same could be clarified to the shareholders at the Annual General Meeting.
23. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.

In compliance with Regulation 44, SEBI Listing Obligation and Disclosure Requirements, 2015 and Sections 108 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members. The instructions for e-voting are as follows:

#### **INSTRUCTIONS FOR EVOTING**

- (i) The voting period begins on 27th September, 2016 at 9-00 a.m. and ends on 29th September, 2016 at 5-00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>◆ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>◆ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>◆ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Southern Online Biotechnologies Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- ◆ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
  - ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - ◆ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - ◆ The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.

Please follow the instructions as prompted by the mobile app while voting on your mobile.

By Order of the Board  
For Southern Online Bio Technologies Limited

Sd/-  
N Satish Kumar  
Managing Director  
(DIN:00552358)

Place : Hyderabad  
Date : 13.08.2016