

20th Annual Report 2017-2018



SOUTHERN ONLINE BIO TECHNOLOGIES LTD

S m a r t S o l u t i o n s a n d E c o F r i e n d l y



SBTL Biodiesel Plant - Visakhapatnam



SBTL Biodeisel Plant - Nalgonda Dist.

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	- Executive Director & CFO (DIN: 01585940)
Mr. B Sreedhara Reddy	- Director Administration (DIN: 01302512)
Mr. Bachala Ashok	- Non Executive & Independent Director (DIN: 06856936)
Mr. BHR Balaji	- Executive Director (DIN: 00552538)
Mr. Ashiwini Kumar Tripathi	- Non Executive & Independent Director (DIN: 00388913)
Mr. G Viswanath	- Nominee Director (Bank of India) (DIN: 07192232)
Mr. Bommu Prathap	- Non Executive & Independent Director (DIN: 08211023)

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

Mr. Bachala Ashok	- Chairperson
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

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.
State Bank of India (Earlier SBH)	-	Somajiguda Branch, Hyderabad.
UCO Bank	-	Banjara Hills Branch, Hyderabad
Punjab National Bank	-	Sanath Nagar Branch, Hyderabad

STATUTORY AUDITORS

M/s. P C N & Associates.,
(Formerly Known as Chandra Babu Naidu & Co.)
Chartered Accountants, Plot No. 12, "N Heights", Ground Floor, Software Layout Unit
Cyberabad, Hyderabad - 500 081

INTERNAL AUDITORS

M/s. V. Ravi & Co
Chartered Accountants
Hyderabad

SECRETARIAL AUDITOR

Aakanksha Shukla,
Practicing Company Secretary,
Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
2nd Floor, HSR Summit,
Banjara Hills, Road No. 10,
Beside No. 1 News Channel office,
Hyderabad – 500034

REGISTRAR & TRANSFER AGENTS

M/s Aarthi Consultants Pvt. Ltd.,
Registered office at 1-2-285, Domalguda,
Hyderabad - 500 029.

PLANT LOCATIONS:

- 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

Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad, Telangana 500004
Tel: (040) 2324 1999, Fax: (040) 2324 1444
E-mail: info@sol.net.in

CIN	:	L72900TG1998PLC030463
WEBSITE	:	www.sol.net.in
INVESTORS EMAIL ID	:	investors@sol.net.in

NOTICE OF 20th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **20th Annual General Meeting** of the members of **SOUTHERN ONLINE BIOTECHNOLOGIES LIMITED** will be held on Saturday, the 29th September, 2018 at 10.00 AM at Dwaraka Conference Hall, Plot No.73, Reliance Chambers, Bandlaguda Cross Roads, Rajendranagar Mandal, Hyderabad - 500080 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 31st March 2018, including the audited Balance Sheet as at 31st March 2018 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. Sreedhara Reddy, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. RE-APPOINTMENT OF MRS. T ROHINI REDDY (DIN: 00638514) AS INDEPENDENT DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. T Rohini Reddy (DIN: 00638514), Director of the Company whose term expires on 31.03.2019 be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term from 01.04.2019 to 31.03.2024 or AGM in the year 2024 whichever is later.”

4. RE-APPOINTMENT OF MR. BACHALA ASHOK (DIN: 06856936) AS INDEPENDENT DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Bachala Ashok (DIN: 06856936), Director of the Company whose term expires on 31.03.2019 be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term from 01.04.2019 to 31.03.2024 or AGM in the year 2024 whichever is later.”

5. RE-APPOINTMENT OF MR. K RADHA KRISHNA (DIN: 01585940) AS WHOLE-TIME DIRECTOR & CFO OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, consent of the members of the company be and is hereby accorded to reappoint Mr. K. Radha Krishna (DIN 01585940) as Whole-Time Director & CFO of the Company for a period of three years with effect from 05.01.2018 to 04.01.2021 and to pay such remuneration as per terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice”.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits”.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits during his tenure the Company shall pay to Mr. K. Radha Krishna (DIN 01585940), remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board is here by authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

6. RE-APPOINTMENT OF MR. B SREEDHARA REDDY (DIN: 01302512) AS WHOLE-TIME DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, consent of the members of the company be and is hereby accorded to reappoint Mr. B. Sreedhara Reddy (DIN:01302512) as Whole-Time Director of the Company for a period of three years with effect from 05.01.2018 to 04.01.2021 and to pay such remuneration as per terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice”.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits”.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits during his tenure the Company shall pay to Mr. B. Sreedhara Reddy (DIN:01302512), remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board is here by authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

7. APPOINTMENT OF MR. BOMMU PRATHAP AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 of the Companies Act, 2013 and rules made thereunder, Mr. Bommur Prathap holding (DIN- 08211023) who was appointed as additional director by the Board of Directors in the meeting held on 31.08.2018 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Bommur Prathap as a candidate for the office of a director of the company who meets criteria of independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the company, not liable to retire by rotation, to hold office for a term of 5(five) consecutive years up to 30.08.2023.

“RESOLVED FURTHER THAT the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

By Order of the Board
For Southern Online Bio Technologies Limited

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

Place : Hyderabad
Date : 31.08.2018

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. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. 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.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2018 to 29.09.2018 (both days inclusive) for the purpose of annual closure.
5. 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 for the year FY 2017-18.
6. 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.
7. 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.
8. 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.
9. 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.

10. 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.
11. 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.

12. 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.
13. 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.
14. 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.
15. The members, whose names appear on the Register of Members/list of beneficial owners as on 22nd September, 2018 are eligible to participate in e-voting on the resolutions set forth in this notice.
16. 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. The remote e-voting period will commence at 9:00 A.M. (IST) on 26th September, 2018 and will end at 5:00 P.M. (IST) on 28th September, 2018. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled.
17. 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.

18. 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.
19. The Company has appointed Ms. Aakanksha Shukla, 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.
20. 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.
21. 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.
22. 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 22nd September, 2018, may obtain User ID and Password by sending a request at 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.
23. 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.
24. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses set out above is annexed herewith.
25. 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: