

22nd
Annual Report
2019 – 2020



Southern Online Bio Technologies Limited
Smart Solutions and Eco Friendly

CORPORATE INFORMATION

Resolution Professional

Mrs. CA G Kalpana

Resolution Professional in the matter of
M/s Southern Online Bio Technologies Limited
Regn no. IBBI/IPA-001/IP-P00756/2017-2018/11288
Email ID:kalpanagonugunta1@gmail.com

Appointed by the Hon'ble NCLT vide its Order dated October 05, 2018 and continued up to June 22, 2020, the date on which the Hon'ble NCLT passed Order for closure of liquidation process against the Company.

New Board of Directors

Dr. Devaiah Pagidipati	- Executive Director (DIN: 05147621) [From January 27, 2020]
Mr. Brijmohan Venkata Mandala	- Non-Executive Director (DIN: 00295323) [From January 27, 2020]
Mr. Madana Mohana Rao Yalamanchili	- Independent Director (DIN: 00745820) [From January 27, 2020]
Dr. Divya Sunitha Raj Burra	- Independent Director (DIN: 01302512) [From 06.11.2020]

Audit Committee (from November 06, 2020)

Dr. Divya Sunitha Raj Burra	- Chairperson
Mr. Yalamanchili Madana Mohana Rao	- Member
Dr. Devaiah Pagidipati	- Member

Nomination & Remuneration Committee (from November 06, 2020)

Dr. Divya Sunitha Raj Burra	- Chairperson
Mr. Yalamanchili Madana Mohana Rao	- Member
Mr. Brijmohan Venkata Mandala	- Member

Stakeholders Relationship Committee (from November 06, 2020)

Dr. Divya Sunitha Raj Burra	- Chairperson
Mr. Yalamanchili Madana Mohana Rao	- Member
Mr. Brijmohan Venkata Mandala	- Member

Bankers

Union Bank of India (Earlier Andhra Bank)	-	Saifabad, Hyderabad
Bank of India	-	Banjara Hills Branch, Hyderabad.
State Bank of India (Earlier SBH)	-	HACA Bhavan, Hyderabad
Central Bank of India	-	Koti, 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

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: cs@sol.net.in

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

NOTICE

Shorter Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Southern Online Bio Technologies Limited will be held at Anion Conference Room, 8th Floor, Swarna Jayanti Complex, Beside Maitrivanam, Ameerpet, Hyderabad, Telangana 500038 on Thursday, the 31st day of December, 2020 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements:

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and of the Auditors thereon.

SPECIAL BUSINESS:

2. Appointment of Dr Devaiah Pagidipati as Chairman & Managing 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 notwithstanding that Dr Devaiah Pagidipati exceeds seventy years of age, pursuant to section 196 of the Companies Act, 2013 and other applicable provisions of the Act and Articles of Association of the Company, Dr Devaiah Pagidipati (DIN: 05147621), Director, be and is hereby appointed as "Chairman & Managing Director" of the Company under section 196, 197 and 203 of the Companies Act, 2013 with effect from January 01, 2021 for a period of three years.

FURTHER RESOLVED THAT pursuant to Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment / modification thereof), the consent of the Members of the Company be and is hereby accorded to pay minimum remuneration to Dr Devaiah Pagidipati, Managing Director for the Financial Year, in which there are no profits or profits are inadequate, during the period commencing from January 01, 2021 till the expiry of his term i.e. December 31, 2023.

FURTHER RESOLVED THAT the board of directors be and is hereby authorized to approve the payment of remuneration within the above mentioned ceilings from time to time during the tenure of Dr Devaiah Pagidipati.

FURTHER RESOLVED THAT within the overall limits as specified above, the Board is entrusted with the power to determine individual component(s) of remuneration.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

3. Regularization of Additional Director:

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

"RESOLVED THAT Mr. Yalamanchili Madana Mohana Rao (DIN:00745820), who was appointed as an Additional Director with effect from January 27, 2020 on the Board of the Company in terms of Section 161 of the

Companies Act, 2013 and in compliance with Hon'ble NCLT Order dated November 26, 2019 and who holds office up to the date of the ensuing General Meeting, and in respect of whom the board of directors vide its meeting held on November 13, 2020 recommends, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company whose period of office shall not be determinable by retirement of directors by rotation.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

4. Appointment of Independent Director:

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

"RESOLVED THAT notwithstanding that Mr. Yalamanchili Madana Mohana Rao exceeds seventy five years of age during the tenure of his appointment, pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI LODR Regulations, 2015, Mr. Yalamanchili Madana Mohana Rao (DIN:00745820), who has submitted his Independent Director Registration No: IDDB-DI-202011-032769 and a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from December 31, 2020.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

5. Regularization of Additional Director:

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

"RESOLVED THAT Dr Divya Sunitha Raj Burra (DIN: 03412586), who was appointed as an Additional Director with effect from November 06th, 2020 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of the ensuing General Meeting, and in respect of whom the board of directors vide its meeting held on November 13, 2020 recommends, under Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director, be and is hereby appointed as a director of the company whose period of office shall not be determinable by retirement of directors by rotation.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

6. Appointment of Woman Independent Director:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI LODR Regulations, 2015, Dr Divya Sunitha Raj Burra (DIN: 03412586), who has submitted her Independent Director Registration No: IDDB-DI-202011-032887 and a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Woman Independent Director of the Company for a period of five years with effect from December 31, 2020.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

7. Increase in the limits for borrowings:

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

“RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any Body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 250 crores (Rupees Two Hundred Fifty Crores only) for the Company, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

FURTHER RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 250 crores (Rupees Two Hundred Fifty Crores only) for the Company at any time.

FURTHER RESOLVED THAT the Board of Directors or the Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

8. To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any Body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any Body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any Body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding INR 250 crores (Rupees Two Hundred Fifty crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

FURTHER RESOLVED THAT in case of divestment of the investment, the Directors of the Company be and are hereby authorized to sign the necessary applications, papers, forms, documents etc. for effective implementation of decision of divestment taken by the Company from time to time.

FURTHER RESOLVED THAT for the purpose of giving effect to the above, Board of Directors or Company Secretary of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

9. Approval for conversion of loan in to equity

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

"RESOLVED THAT pursuant to provisions of Section 62 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) of the Companies Act, 2013, the provisions of the Memorandum and Articles of Association of the Company, clause 15 of the written Order passed by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad bench dated November 26, 2019, the consent of the shareholders of the Company be and is hereby accorded to the terms and conditions, of Dr Devaiah Pagidipati, Promoter (hereinafter referred to as Lender) of the Company against the unsecured loan amount of Rs. 6.70 crores as per clause 15 of the NCLT Order dated November 26, 2019, which inter-alia includes that the Lender shall have absolute right to convert the outstanding amounts and all monies due/ payable by the Company to the Lender in part/ or full, in one or more tranches, into full paid up equity shares of the Company, in accordance with the provisions of the Companies Act, 2013 and relevant guidelines/ regulations issued by the SEBI as amended or modified or replaced from time to time by any rules, regulations, notifications, circulars or orders by the SEBI in this regard or any other governmental agency in this regard.

FURTHER RESOLVED THAT allotment of equity shares to Dr Devaiah Pagidipati against conversion of unsecured loan shall rank pari-passu in all respects with the existing equity shares of the Company and that they shall be entitled to pro-rata dividend from the date of allotment.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board of Directors in its absolute discretion may deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution.”

By Order of the Board
For Southern Online Bio Technologies Ltd

Place: **Hyderabad**
Date: **December 29, 2020**

Srikanth Reddy Kolli
Company Secretary

Notes:

1. **A member entitled to attend and vote at this Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the AGM is annexed hereto.
3. Members/proxies/authorized representatives are requested to bring their copies of Annual Report and produce duly filled in attendance slip at the entrance of the venue. Members holding shares in Demat form shall write their DP ID No. and Client ID and those holding in Physical form shall write their Folio No. in the attendance slip for attending the meeting. Copies of Annual Reports will not be provided at the meeting.
4. The International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE371B01015. Trading in the equity shares of the Company through Stock Exchanges was made compulsory in dematerialized form. Shareholders are advised to open demat accounts with any of the Depository Participants (DPs) of their choice registered with NSDL and CDSL and convert their physical holding into electronic holding.
5. Members holding shares in physical form are requested to notify/send any change in their address and bank account details to the Company / Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited (Bigshare). Members are encouraged to utilize Electronic Clearing System (ECS) for receiving dividends.
6. Non-Resident Indian Members are requested to inform Bigshare, immediately of:
 - a. Change in their residential status on return to India for permanent settlement
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.
7. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
8. All relevant documents referred in the accompanying Notice and explanatory statement are open for inspection to the Members at the Registered Office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays up to the date of the AGM.
9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Bigshare.
10. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Bigshare/Depository Participant to enable the Company to send communications electronically.
11. The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

12. Members may also note that the Notice of the 22nd AGM and the Annual Report 2019-20 will be available on the Company's website, www.sol.net.in. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information as regards accounts are requested to write to the Company to: cs@sol.net.in, at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
13. Pursuant to the requirement under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the directors proposed to be re-appointed / appointed is given in **Annexure – A** to the notice.

14. Instruction about Voting:

The Members are informed that the Company is providing only postal ballot facility at the venue of AGM since there are only seven shareholders of the Company as per Hon'ble NCLT Order dated November 26, 2019 and the allotment made by the Company in its board meeting held on December 12, 2020.

A) Voting through ballot means:

Since all the current seven shareholders holds shares in physical form and because there are only seven shareholders, the Company doesn't provide e-voting facility and provides only ballot voting at the venue of AGM.

The shareholders of the Company, holding shares either in physical form or in dematerialized form, as of **December 30, 2020** (i.e., the cut-off date) may cast their vote in the ballot box at the venue of AGM.

The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on December 30, 2020.

Mr Y Ravi Prasada Reddy, Practicing Company Secretary (C.P. No: 5360), has been appointed as the Scrutinizer to scrutinize the voting process at the venue of the 22nd AGM in a fair and transparent manner.

B) Other Instructions:

- I. The Scrutinizer will collate the votes from the voting system from the venue of AGM to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.sol.net.in and be communicated to the Stock Exchanges where the Company is listed, viz. M/s. BSE Ltd.
- III. Members may address any query to Mr. K. Srikanth Reddy at the Registered Office of the Company, M. No. 8886302027, e-mail address: cs@sol.net.in, Website: www.sol.net.in.

By Order of the Board
For Southern Online Bio Technologies Ltd

Place: **Hyderabad**
Date: **December 29, 2020**

Srikanth Reddy Kolli
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 2****Appointment of Dr Devaiah Pagidipati as Chairman & Managing Director of the Company**

The board of directors in its meeting held on November 13, 2020 considered the recommendations of the Nomination and Remuneration Committee and approved to recommend for the approval of shareholders at the ensuing AGM, the appointment of Dr Devaiah Pagidipati as Chairman & Managing Director of the Company for a period of three years from January 01, 2021 notwithstanding his age exceeds seventy years of age. His brief profile is given below:

Information in accordance with Schedule V of Companies Act, 2013:

I. General Information:

1	Nature of Industry: Biodiesel Manufacturing & Internet Service Provider		
2	Date or expected date of commencement of commercial: NA		
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: NA		
4	Financial performance based on given indications (in INR)		
	Particulars	2019-20	2018-19
	Turnover	2,09,06,869	2,59,34,662
	Net profit/ loss after Tax	1,65,82,31,406	45,39,95,969
			(1,33,91,85,362)
5	Foreign investments or collaborations, if any: NA		

II. Information about the Appointee:

1	<p>Background Details: Dr Devaiah was born and brought up in rural part of South India. He joined the Osmania Medical College at Hyderabad and obtained his MBBS degree in 1970. After completing his post-graduation and training in anaesthesiology, he has done sub-specialty in paediatric anaesthesia at Harvard Medical School's Children Hospital, Boston.</p> <p>He has extensive experience in 360 degrees Healthcare Industry as provider and payer. From 1991 to till date as an successful entrepreneur, he founded Suncoast Labs Florida USA, Freedom Health Inc., Ocala FL USA, MHC (Medical Health Centre) in Ocala FL USA, Inventcorp Technologies LTD Hyderabad, Anion Healthcare Services (BPO Company) Hyderabad.</p> <p>He wants to serve motherland by helping the marginalized people to better their lives and thus started non-profit organization NAADAM, innovative clinics. He believes in the Healthcare as a fundamental right of the citizens. Welfare and progress of common man lies in: Health, Education, Employment, Entrepreneurship and social Empowerment. Dr Devaiah is committed to get these privileges to the doorstep of common man and see a happy, healthy India.</p>
2	Past Remuneration: NA (he is an entrepreneur)
3	Recognition or awards: Nil
4	Job Profile and his suitability: Dr Devaiah Pagidipati acquired the Company as a going concern from the liquidation process and want to run the Company successfully in the coming years with an aim of providing huge employment and to take the Company in to the list of top five producers of bio diesel in India.
5	Remuneration proposed: Dr Devaiah Pagidipati don't want to draw any remuneration until the Company makes good size of profits and hence he may be paid minimum remuneration as permitted by the Companies Act, 2013 read with Schedule V at the discretion of Board of Directors, during his tenure.

6	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): The Nomination and Remuneration Committee constituted by the Board perused remuneration of managerial personnel in the other Companies in the similar Industry and also other companies comparable with the size of the Company, industry benchmark in general, and accorded due cognizance to all these factors before approving the remuneration as proposed hereinabove. Considering professional qualifications, background, experience and competence of Dr Devaiah Pagidipati and the responsibility shouldered by him, the terms of remuneration are considered to be fair, just and reasonable.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: He is promoter of the Company with 99.99 % shareholding as on this date.

III. Other Information

1	Reasons for inadequate profits: Currently both the bio-diesel plants of the Company are under shutdown and the ISP division is not making enough profits due to heavy competition and due to the Company went through the liquidation process for the last two years.
2	Steps taken or proposed to be taken for improvement: In order to mitigate the hardships caused by the reasons mentioned above, the new management is putting all its best efforts to revive the operations in the plants of the Company and also to revive the ISP division business to profit making.
3	Expected increase in productivity and profit in measurable terms: 1000% increase in production and 20% increase in profit is expected in the next three years.

Relationship with other directors – Nil.

Shareholding in the Company – 4,49,94,000 equity shares of Rs. 10/- each.

Directorship in other companies:

1. PB Aero Freedom Services Private Limited – Additional Director
2. Awlencan Innovations India Limited – Director
3. Inventcorp Technologies Limited – Director
4. Freedom Ehealth Management Private Limited- Director
5. E Vaidya Private Limited – Managing Director
6. Southern Biofe Biofuels Private Limited – Additional Director
7. Bheem Online Services Private Limited – Director

As the Chairman and Managing Director Dr Devaiah Pagidipati shall perform such functions as may from time to time be entrusted to him by the Board. He shall be subject to the supervision and control of the Board of Directors. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Dr Devaiah Pagidipati is a managing director of E Vaidya Private Limited who draws remuneration from that Company.

The special resolution as set out against item no. 2 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on November 13, 2020.

Dr Devaiah Pagidipati whose date of birth was June 21, 1944 is of 76 years of age. Hence in accordance with proviso to Section 196 3(a), the Company seeks consent of the members by way of special resolution for his appointment to hold the office of Chairman & Managing Director notwithstanding that his age exceeds 70 years.

The Board is of the opinion that the appointment of Dr Devaiah Pagidipati as Chairman & Managing Director

would be in the interest of the Company and it is desirable to avail services of Dr Devaiah Pagidipati as Chairman & Managing Director due to his extensive experience regardless of his age.

A brief profile of Director to be appointed, including nature of their expertise and other disclosure as required under SEBI LODR Regulations, Secretarial Standards, is provided at Annexure A of this Notice.

Accordingly, the Board recommends the resolution in relation to appointment of Dr Devaiah Pagidipati as Chairman & Managing Director, for the approval by the shareholders of the Company by way of Special Resolution.

Except Dr Devaiah Pagidipati, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item no.2.

The other relatives of Dr Devaiah Pagidipati may be deemed to be interested in the resolution set out at Item no.2 of this Notice, to the extent of their shareholding interest, if any, in the Company.

Item No. 3

Regularization of Additional Director

Mr. Yalamanchili Madana Mohana Rao (DIN:00745820) was appointed as an Additional Director w.e.f. January 27, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 and in compliance with Hon'ble NCLT, Hyderabad bench Order dated November 26, 2019 who holds office up to the date of ensuing General Meeting. In this regard the board of directors vide its meeting held on November 13, 2020 recommended for the approval of shareholders, proposing candidature of Mr. Yalamanchili Madana Mohana Rao for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Pursuant to recommendations of Nomination and Remuneration committee, the Board considered that the co-option of Mr. Yalamanchili Madana Mohana Rao on the Board is desirable and would be beneficial to the company in various fronts and hence recommends resolution no. 3 for your approval.

Mr. Yalamanchili Madana Mohana Rao is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Except Mr. Yalamanchili Madana Mohana Rao, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Brief profile of director to be regularized, including nature of their expertise and other disclosure as required under SEBI LODR Regulations, Secretarial Standards, is provided at Annexure A of this Notice.

Item No.4

Appointment of Independent Director

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Yalamanchili Madana Mohana Rao (DIN:00745820) is proposed to be appointed as Independent Director for a term as stated in the Resolution.

The Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on November 13, 2020 have recommended appointment of Mr. Yalamanchili Madana Mohana Rao as Independent Director of the Company.

Mr. Yalamanchili Madana Mohana Rao whose date of birth was June 1, 1949 is of 71 years of age. Hence in accordance with SEBI LODR Regulations, the Company seeks consent of the members by way of special resolution for his appointment to hold the office of Independent Director notwithstanding that his age exceeds 75 years of age during his tenure.

Mr. Yalamanchili Madana Mohana Rao has submitted his Independent Director Registration No: IDDB-DI-202011-032769 and a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and Rules made there-under for his appointment as Independent Director of the Company and he is independent of the management. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Copy of the draft letter for appointment of Mr. Yalamanchili Madana Mohana Rao, Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

A brief profile of Independent Director to be appointed, including nature of their expertise and other disclosure as required under SEBI LODR Regulations, Secretarial Standards, is provided at Annexure A of this Notice.

Except Mr. Yalamanchili Madana Mohana Rao, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no 4.

Item No. 5

Regularization of Additional Director

Dr Divya Sunitha Raj Burra (DIN: 03412586) was appointed as an Additional Director w.e.f. November 06, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 who holds office up to the date of ensuing General Meeting. In this regard the board of directors vide its meeting held on November 13, 2020 recommended for the approval of the shareholders, proposing candidature of Dr Divya Sunitha Raj Burra for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Pursuant to recommendations of Nomination and Remuneration committee, the Board considered that the co-option of Dr Divya Sunitha Raj Burra on the Board is desirable and would be beneficial to the company in various fronts and hence recommends resolution no. 5 for your approval.

Dr Divya Sunitha Raj Burra is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

Except Dr Divya Sunitha Raj Burra, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Brief profile of director to be regularized, including nature of their expertise and other disclosure as required under SEBI LODR Regulations, Secretarial Standards, is provided at Annexure A of this Notice.

Item No.6

Appointment of Independent Director

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Dr Divya Sunitha Raj Burra (DIN: 03412586) is proposed to be appointed as Woman Independent Director for a term as stated in the Resolution.

The Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on November 13, 2020 have recommended appointment of Dr Divya Sunitha Raj Burra as Woman Independent Director of the Company.

Dr Divya Sunitha Raj Burra has submitted her Independent Director Registration No: IDDB-DI-202011-032887 and a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and Rules made there-under for her appointment as Independent Director of the Company and she is independent of the management. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

Copy of the draft letter for appointment of Dr Divya Sunitha Raj Burra, Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

A brief profile of Woman Independent Director to be appointed, including nature of their expertise and other disclosure as required under SEBI LODR Regulations, Secretarial Standards, is provided at Annexure A of this Notice.

Except Dr Divya Sunitha Raj Burra, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no 6.

Item No.7

Increase in the limits for borrowings

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company.

Hence it is proposed to increase the maximum borrowing limits to Rs. 250 Crores for the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company for which authorisation for creation of charge on assets of the Company for securing the borrowings made by the Company is also proposed to be increased to Rs. 250 Crores.

Hence, the Special Resolution at Item No.7 of the Notice is being proposed, since the same exceeds the limits provided under Section 180(1)(a) & 180(1)(c) of the Act, the Directors recommend the Special Resolution as set out at Item no. 7 of the accompanying Notice, for members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

Item No.8**To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding INR 250 crores (Rupees Two Hundred Fifty crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution as set out at item no. 8 except to the extent of their shareholding in the Company.

Item No.9**Approval for conversion of loan in to equity**

Pursuant to the written Order passed by the Honourable National Company Law Tribunal (NCLT), Hyderabad bench on November 26, 2020 wherein clause 15 provides for the amount of Rs. 6.70 crores to be treated as unsecured debt / loan to the Company from the acquirer of the Company, Dr Devaiah Pagidipati. Accordingly the said amount of Rs. 6.70 crores was accounted in the books of accounts of the Company as unsecured loan from Dr Devaiah Pagidipati who is a new promoter of the Company.

Pursuant to section 62 of the Companies Act, 2013, a company can increase its subscribed capital caused by the conversion of any outstanding amounts under any loan availed by the company into shares as a term attached to such loan, provided a special resolution is passed by the company approving such terms. The proposed resolution is recommended under the provisions of Section 62 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, in view of the fact that pursuant to the terms of the transaction of unsecured loan, the lender have an option to convert the outstanding amounts into equity shares of the Company from time to time in one or more tranches.

The lender have requested to take approval of the members of the Company for ratification of aforesaid unsecured debt / loan and pass a resolution under Section 62 of the Companies Act, 2013.

In view of above, the Board of Directors recommends this resolution for the approval of members as special resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the special resolution as set out at item no. 9 except and to the extent of their shareholding in the Company.

Place: **Hyderabad**
Date: **December 29, 2020**

By Order of the Board
For Southern Online Bio Technologies Ltd

Srikanth Reddy Kolli
Company Secretary

Annexure – A

Details of Directors seeking appointment/ re-appointment/ regularization at the Annual General Meeting (Pursuant to Reg.36 (3) of SEBI (LODR) Regulations, 2015 are given below:

A	Name	Dr Divya Sunitha Raj Burra	Mr. Yalamanchili Madana Mohana Rao	Dr Devaiah Pagidipati
B	Brief Resume			
	i) Age	35 years	71 years	76 years
	ii) Educational Qualification	MD Paediatrics and MD Physician	B.Sc.	MBBS, MD Anaesthesiology
	iii) Experience in specific functional area	She has 10+ years of directorship experience and is one of the founder and director of Neo Institute Of Medical Sciences And Technology Limited. She is also Vice-Rector Zaparozhye State Medical University, Ukraine. She believes in affordable quality medical education to all.	Mr Madana Mohana Rao Yalamanchili had his entrepreneurial debut in 1975 with a Chemical Industry, supplying chemicals to TinPlate manufacturers in India. A rare distinction of uninterrupted supplier status with Tata Tinplate Co. since 38 years. Founded Smart Software in 1994 with US partners and instrumental in the merger of Smart Software with Capital IQ Inc. and, in turn with S&P (Standard and Poor's, a McGraw-Hill owned Co.) in 2003. As Executive Chairman, led the Hyderabad operations of S&P Capital IQ successfully, for over two decades, making it now, one of the best and the largest financial information providers. The Company has grown from 8 employees in 1994 to around 4,000 employees in Hyderabad. Retired as Executive Chairman of S&P Capital IQ in 2016 and as Chairman Emeritus in 2017	Dr Pagidipati Devaiah, MBBS, MD Anaesthesia (Harvard University). He has extensive experience in 360 degrees Healthcare Industry as provider and payer. From 1991 to till date as a successful entrepreneur, he founded Suncoast Labs Florida USA, Freedom Health Inc Ocala FL USA, MHC (Medical Health Centre) in Ocala FL USA, Inventcorp Technologies LTD, Hyderabad, Anion Healthcare Services (BPO Company) Hyderabad. He wants to serve motherland by helping the marginalized people to better their lives and thus started non-profit organization NAADAM, Innovative clinics. He believes in the Healthcare as a fundamental right of the citizens. Welfare and progress of common man lies in: health Education, Employment, Entrepreneurship and social Empowerment. Dr Devaiah is committed to get these privileges to the doorstep of common man and see a happy healthy India.
iv) Date of appointment on the board of the Company	06 th November, 2020	27 th January, 2020	27 th January, 2020	

C	Nature of expertise in functional area	Mentioned in clause B (iii) above.	Mentioned in clause B (iii) above.	Mentioned in clause B (iii) above.
D	Directorship held in other Companies (excluding foreign and Section 8 Companies)	1. Neo Institute Of Medical Sciences And Technology Limited	1. Southern Biofe Biofuels Private Limited 2. E Vaidya Private Limited	1. PB Aero Freedom Services Private Limited 2. Southern Biofe Biofuels Private Limited 3. Bhem Online Services Private Limited 4. Awlencan Innovations India Limited 5. Inventcorp Technologies Limited 6. E Vaidya Private Limited 7. Freedom Ehealth Management Private Limited
E	Chairmanship/ Membership of committees of other Companies (includes only Audit, Stakeholders Relationship and Nomination & Remuneration Committee)	Nil	Nil	Nil
F	No. of shares of Rs.10/- each held by the Director	Nil	Nil	4,99,94,000 equity shares of Rs 10/- each.
G	Relationship between Directors inter se (As per section 2(77) of the Companies Act, 2013 and Companies (Specification of definitions details) Rules, 2014)	Nil	Nil	Nil

BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting before you the 22nd Board Report on the Company's business and operations, together with the audited financial statements for the financial year ended March 31, 2020.

Closure of Liquidation process against the Company

The members are informed that pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench dated October 05, 2018 ("NCLT Order"), Corporate Insolvency Resolution Process ("CIRP") has been initiated for the Southern Online Bio Technologies Limited ("the Company") in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued thereunder ("Code").

Mrs. CA G Kalpana, was appointed as Interim Resolution Professional (IRP) in terms of the NCLT Order who took over the management of the Company w.e.f. October 05, 2018. The Board of Directors existing as on October 05, 2018 were suspended as on that date. Subsequently, the IRP was appointed as the Resolution Professional (RP) by the Committee of Creditors as per the provisions of the Code ("Resolution Professional"). When no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Corporate Debtor. Following which the Hon'ble NCLT, Hyderabad bench on July 16, 2019 passed an order, in IA No. 565/2019 preferred by the RP for liquidating the Southern Online Bio Technologies Limited (the Corporate Debtor Company) for liquidation of the Southern Online Bio Technologies Limited (Company) by appointing Mrs. CA G Kalpana as Liquidator of the Corporate Debtor Company.

The Liquidator had issued sale notice for the sale of the Company as a going concern on October 13, 2019 and the date of E-Auction was on October 22, 2019.

Pursuant to the sale notice issued by the Liquidator, Dr Devaiah Pagidipati applied to participate in the E-Auction duly submitting the required documents and EMD amount of Rs. 5.17 Crores in the form of Demand Draft and the Liquidator after verifying the documents, declared him as the Qualified bidder and issued Login Id and Password to participate in the E-Auction.

The Qualified bidder i.e. Dr Devaiah Pagidipati participated in the E-Auction and submitted his bid for Rs. 51.70 Crores and has been declared as the Successful Bidder by the Liquidator and the Liquidator issued Letter of Intent to the Successful Bidder on October 29, 2019 to pay the balance sale consideration of Rs. 46.53 Crores plus GST and other applicable taxes if any after deducting EMD amount within 30 days from the date of issuance of the Letter of Intent or within 90 days provided that the payment made after 30 days will attract interest at the rate of 12% from the date of the issuance of the Letter of Intent.

The Successful Bidder i.e. Dr Devaiah Pagidipati paid an amount of Rs.41.53 Crores on November 28, 2019 and Rs.2 Crores on November 29, 2019 and balance Rs. 3 Crores on December 04, 2019 and paid an interest amount of Rs. 55,890/- (Rs. 6,575/- for one day and Rs. 49,315/- for 5 days) towards delayed payment.

In consideration of the payment of Rs. 51.70 Crores the Company M/s Southern Online Bio Technologies Limited (in Liquidation) is sold on 'as is where is and as is whatever there is without recourse basis' in favour of Dr Devaiah Pagidipati, 409, Jayabheri Silicon County, Kondapur Post, Madhapur, Hyderabad-500084 and the possession of the Company has also been handed over to him on January 02, 2020 by issuing a sale certificate to him by the Liquidator.

Consequent to the above sale, the Hon'ble NCLT, Hyderabad bench issued a written Order on June 22, 2020 in IA No. 196/2020 in CP IB No. 343/7/HDB/2018 for closure of liquidation process against the Company on application by the Liquidator for disposal of liquidation process against the Company.

Financial Results

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has prepared its financial statements as per Indian Accounting Standards ('Ind AS') for the FY 2019-20. The financial highlights of the Company's operations are as follows:

(Rs. in Lakhs)

Particulars	2019-20	2018-19
Total Income	33666.10	370.66
Total Expenditure	9098.90	1973.94
Profit before Tax	24567.20	-1603.28
Provision for Tax	7984.89	-6143.24
Profit after Tax	16582.31	4539.96
Transfer to General Reserve	16582.31	4539.96
Profit available for appropriation	0	0
Provision for Proposed Dividend	0	0
Provision for Corporate Tax	0	0
Balance Carried to Balance Sheet	444.80	-22036.84

Performance

a) Operations

The total revenue of the Company for the financial year ended March 31, 2020 was Rs. 3,36,66,10,325/- as compared to the previous year's total revenue of Rs. 3,70,66,404/-. During this financial year the Company has incurred a net profit of Rs 1,65,82,31,406/- as against the previous year's net profit of Rs. 45,39,95,969/-. The revenue of the Company was from only ISP Division.

b) Prospects

As per Government of India's Initiatives to promote the use of Bio diesel fuel, Government has made it compulsory to use 5% as bio diesel fuel of its total fuel requirement. On account of this mandatory action, the Company has good number of orders in hand various Government owned transport organizations.

Indian Government has introduced a new policy. The Goal policy is to ensure that a minimum level of biofuels become readily available in the market to meet the demand at any given time.

An indicative target of 5% blending of bio diesel by 2030 is proposed.

Hence the Biodiesel industry has got very good future.

c) Company Prospects

Company plans to revive the present situation.

d) ISP Division

The Company presently provides internet services as a Licensed ISP. The Company Services include the following:

- Server Co-Location
- Leased Line services (Terrestrial and RF links)
- Broad band services
- Networking solutions
- Web hosting services

e) Bio Diesel Division

The Company has two Bio diesel units, one is at Samsthan Narayanpur (V&M), Nalgonda District, Telangana State with 36TPD capacity and the other is at APIIC, SEZ, Atchutapuram, Rambilli Mandal, Visakhapatnam, Andhra Pradesh state with 250 TPD capacity.

Currently both units are under shut down, due to lack of working capital.

f) Bio diesel Plant at Tondiarpet, Chennai

The 30 TPD Biodiesel plant for Indian Railways Organization for Alternate Fuels (IROAF), Ministry of Railways is under implementation by the Company and is expected to commence the production soon, through a contractor by entering in to back to back project execution contract.

Change in the nature of business

There was no change in nature of the business of the Company during the financial year ended on March 31, 2020

COVID update

These are unprecedented times, as our country and the entire world struggles to contain and combat the COVID-19 pandemic. Amidst such rampant uncertainties, we have abided by every safety and social distancing norm and have been consistently communicating the same to both our employees and customers. We stand in solidarity with the Government of India and all our citizens, and our efforts towards the betterment of one and all will continue, unabated.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

Share Capital

During the F.Y. 2019-20, the authorised share capital of the Company is Rs 75,00,00,000 (Rupees Seventy Five Crores) divided into 7,50,00,000 equity shares of Rs 10/- each. The old paid up equity share capital of the Company is Rs 58,99,32,880/- divided into 5,89,93,288 equity shares of Rs 10/- each which was extinguished during the year by the Order of Hon'ble NCLT, Hyderabad bench dated November 26, 2019. The new paid up equity share capital of the Company as on date of this report is Rs. 45,00,00,000/- divided into 4,50,00,000 equity shares of Rs. 10/- each as per the Hon'ble NCLT Order dated November 26, 2019.

Reserves

For the financial year ended March 31, 2020, the Company has transferred an amount of Rs. 1,65,82,31,406 and Rs. 87,62,83,410 to General Reserves and Surplus Account.

Dividend

Company has not declared any dividend during the year. Members are informed that In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the dividend declared, if any, after deduction of tax at source.

Transfer of amount to Investor Education and Protection Fund

During the FY 2019-20, there was no unpaid/ unclaimed dividend pertaining to FY 2011-12 to be transferred to the Investors Education and Protection Fund ('IEPF') Account established by the Central Government.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ('IEPF') after giving due notices to the concerned shareholders, which is not applicable to the Company during the year.

Unclaimed securities demat suspense account

As per the Order of Hon'ble NCLT dated November 26, 2019, all the old shareholders capital was extinguished and the old shareholders will become claimants from liquidation proceeds u/s 53 of the Code. Accordingly there are no unclaimed securities to be kept in the demat suspense account.

Deposits

The Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Significant and material orders passed by the regulators or courts

After the Company account becoming NPA with lenders, the Lead Banker that is Bank of India has filed the petition with Hon'ble National Company Law Tribunal (NCLT), Hyderabad for the recovery of dues under section of Companies Act 7 of IBC. The Hon'ble NCLT, Hyderabad bench admitted the said petition and appointed the IRP Mrs CA G Kalpana w.e.f. October 05, 2018 from the date on which the old board of directors were suspended and the management of the Company including day to day affairs were looked after by Mrs CA G Kalpana from October 05, 2018 onwards. Subsequently she was appointed as Resolution Professional (RP) by the creditors of the Company.

When no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Corporate Debtor. Following which the Hon'ble NCLT, Hyderabad bench on July 16, 2019 passed an order, in IA No. 565/2019 preferred by the RP for liquidating the Southern Online Bio Technologies Limited (the Corporate Debtor Company) for liquidation of the Southern Online Bio Technologies Limited (Company) by appointing Mrs. CA G Kalpana as Liquidator of the Corporate Debtor Company.

The Liquidator has issued sale notice for the sale of the Company as a going concern on October 13, 2019 and the date of E-Auction is on October 22, 2019.

Pursuant to the sale notice issued by the Liquidator, Dr Devaiah Pagidipati applied to participate in the E-Auction duly submitting the required documents and EMD amount of Rs. 5.17 Crores in the form of Demand Draft and the Liquidator after verifying the documents, declared him as the Qualified bidder and issued Login Id and Password to participate in the E-Auction.

The Qualified bidder i.e. Dr Devaiah Pagidipati participated in the E-Auction and submitted his bid for Rs. 51.70 Crores and has been declared as the Successful Bidder by the Liquidator and the Liquidator issued Letter of Intent to the Successful Bidder on October 29, 2019 to pay the balance sale consideration of Rs. 46.53 Crores plus GST and other applicable taxes if any after deducting EMD amount within 30 days from the date of issuance of the Letter of Intent or within 90 days provided that the payment made after 30 days will attract interest at the rate of 12% from the date of the issuance of the Letter of Intent.

The Successful Bidder i.e. Dr Devaiah Pagidipati paid an amount of Rs.41.53 Crores on November 28, 2019 and Rs.2 Crores on November 29, 2019 and balance Rs. 3 Crores on December 04, 2019 and paid an interest amount of Rs. 55,890/- (Rs. 6,575/- for one day and Rs. 49,315/- for 5 days) towards delayed payment.

In consideration of the payment of Rs. 51.70 Crores the Company M/s Southern Online Bio Technologies Limited (in Liquidation) is sold on 'as is where is and as is whatever there is without recourse basis' in favour of Dr Devaiah Pagidipati, 409, Jayabheri Silicon County, Kondapur Post, Madhapur, Hyderabad-500084 and the possession of the Company has also handed over to him on January 02, 2020 by issuing a sale certificate to him by the Liquidator.

Consequent to the above sale, the Hon'ble NCLT, Hyderabad bench issued a written Order on June 22, 2020 in IA No. 196/2020 in CP IB No. 343/7/HDB/2018 for closure of liquidation process against the Company.

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future other than the orders passed by Hon'ble NCLT as mentioned above.

Material changes and commitments

There were no material changes and commitments, affecting the financial position of the Company between the end of the financial year March 31, 2020 to which the financial statements relates and the date of signing of this report.

Board of Directors

By the Order of the Honorable National Company Law Tribunal, Hyderabad Bench ('NCLT') dated October 05, 2018, the Southern Online Bio Technologies Limited (Company) was admitted for Corporate Insolvency Resolution Process ('CIRP') as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) and as per Section 17 of the Code, the powers of the then Board of Directors of the Company stands suspended and such powers shall be vested with Mrs. CA G Kalpana, Resolution Professional.

Later on the Company was admitted for liquidation by the Order of Hon'ble NCLT, Hyderabad bench and was sold as a going concern to Dr Devaiah Pagidipati w.e.f. January 02, 2020.

As per the Order of Hon'ble NCLT dated November 26, 2019, all the suspended former board of directors stands vacated and the new Board of Directors took over control and management of the Company w.e.f. January 27, 2020.

The new Board of Directors consists of the following from January 27, 2020:

SI No	Name of the Director	DIN	Designation
1	Dr Devaiah Pagidipati	05147621	Executive Director
2	Mr Brijmohan Venkata Mandala	00295323	Non-executive Director
3	Mr Yalamanchili Madana Mohana Rao	00745820	Independent Director

The new Board of Directors in its meeting held on November 06, 2020 had appointed Dr Divya Sunitha Raj Burra holding DIN: 03412586 as Additional Director in the category of Woman Independent Director.

Upon recommendation of the Nomination and Remuneration Committee in its meeting held on November 13, 2020, the Board of Directors in its meeting held on November 13, 2020 considered the recommendations of the Nomination and Remuneration Committee and recommends for the approval of shareholders for the appointment of Dr Devaiah Pagidipati as Chairman & Managing Director of the Company, Mr. Madana Mohana Rao Yalamanchili as Director and Independent Director of the Company and Dr Divya Sunitha Raj Burra as Director and Independent Director (Woman category) of the Company.

Key Managerial Personnel

Mr Radha Krishna K, CFO of the Company vacated the Office w.e.f. January 27, 2020, the day on which the new Board of Directors took over the management of the Company.

Later on the new Board of Directors in its meeting held on November 13, 2020 appointed Mr Upadhyayula Uma Vighneswara Ravikanth as Chief Financial Officer (CFO) of the Company and Mr Srikanth Reddy Kolli as Company Secretary (CS) & Compliance Officer of the Company.

The Board of Directors in its meeting held on December 12, 2020 appointed Dr Devaiah Pagidipati as CEO of the Company.

Declaration by the Independent Directors

The Company has received declarations from all Independent directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013, rules made there under and Regulations 16 & 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

Policy on Directors' appointment and remuneration and other details

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration. The detailed policy is available on the Company's website at www.sol.net.in.

Annual Board Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the new Board of Directors has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.

The evaluation procedure followed by the company is as mentioned below:

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.
- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board's performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.
- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the Board are assessed include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member are also provided to them in a confidential manner. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvement are put in place.

Familiarisation Programme

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website

Meetings of the Board of Directors and its Committees during the Financial Year

During the year RP convened four meetings along with the then suspended Board of Directors until January 02, 2020 the date from which the Company was handed over to Dr Devaiah Pagidipati, the new Promoter of the Company. The dates of the four meetings are May 30, 2019, August 14, 2019, November 14, 2019 and February 14, 2020.

Later the new Board of Directors conducted two meetings on January 27, 2020 and March 31, 2020. The details were disclosed in the report on Corporate Governance which forms part of this Annual Report. The intervening gap between any two meetings was within the prescribed period.

All the recommendations made by committees of the Board including the Audit Committee were accepted by the Board. A detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2019-20 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

Composition of Committees

The Composition of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee are mentioned in Corporate Governance Report.

Nomination and remuneration policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

Subsidiary, Associate and Joint Venture Companies

As on March 31, 2020, your Company has the following Subsidiary. Further there has been no material change in the nature of business of the Subsidiary.

Southern Biofe Biofuels Pvt Ltd (SBBF) is a subsidiary of the Company. SBBF was incorporated on 08.05.2002 with an authorized share capital of Rs.34,40,000/-. SBBF initially focused on the establishment and production of biodiesel, the activity of which has been taken over by Southern Online Bio Technologies Ltd. The SBBF has no operations in the last financial year ended March 31, 2020.

Sl.No.	Name of the Company	Percentage (%)
Subsidiary Companies:		
1	Southern Biofe Biofuels Pvt Ltd (SBBF)	99.97

The Marvel Bio Oil FZE Sharjah, UAE, which was another subsidiary of the Company has been closed in the FY 2018-19 due to severe funds constraints. Subsequently, the said investment treated as investment written off during the financial year 2019-20.

Statutory Auditors

M/s P C N & Associates, (Formerly Known as Chandra Babu Naidu & Co.) Chartered Accountants, Hyderabad were appointed as the Statutory Auditors of the Company in 19th Annual General Meeting held on December 30,

2017 to hold the office until the conclusion of the Annual General Meeting to be held for the financial year 2021-22.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been omitted.

Auditors' Report

(a) Statutory Auditors Report

The board of directors in its meeting held on December 29, 2020 duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2020 and has noted the following qualifications:

1. Amounts were owing to the lending banks both in respect of Cash Credit and Term Loans the amounts paid by the Liquidator to the individual banks were apportioned to the respective loan amounts in the ratio of the amounts owing. After such apportionment, the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year.
2. The company has written off the differed tax Asset pertaining to earlier financial years to statement of profit & loss account in the current year amounting to Rs 80,20,60,591/-
3. The Company has written off earlier unsecured loans taken by the company in acquaintance of NCLT order.
4. As per the NCLT order, the existing shares of Corporate Debtor(Southern Online Biotechnologies Limited) shall stand extinguished and existing shareholders will become claimants from liquidation proceeds since corporate debtor is sold as ongoing concern. Existing Equity share capital prior to corporate insolvency process, Securities Premium Reserves, Share warrants forfeited premium and pending allocation of Share Application Money has been transferred to Capital Redemption Reserve an amount of Rs 87,62,83,410/- In the current financial year 2019-2020. Approvals from SEBI, Stock exchange, Registrar of Companies towards the same are pending and approvals yet to be obtained.
5. The infusion of New Capital to the tune of Rs. 45.00 Crores were been considered as share application money for the preparation of balance sheet by the management of the Company.
6. The company has written off Assets during the year to an amount of Rs. 4,492.65Lakhs/- (Inclusive of all assets, the major assets written offs under the Plant & Machinery head as described in notes)
7. The Visakhapatnam unit of the company was effected by the natural calamity i.e., Cyclone Hudhud on October 12th, 2014. Due to the cyclone, the unit has incurred the loss of Rs. 1,856.23 lakhs. The damages are covered with the insurance and the petition for the claim of such losses has already been filed with the insurance company. The said claim of the company is pending for approval since past 3 years with the National Insurance Company Limited. Since the claim amount is pending more than 5 years, the same has been written off.

Explanation on the comments made by the statutory auditor:

1. As per the Hon'ble NCLT Order dated November 26, 2019, the Company will be relieved of all the liabilities arising prior to e-auction date or arising on account of acquisition of control over the Corporate Debtor and liabilities to be treated as extinguished which accrued prior to e-auction date. Already Liquidator called for claims. The Liquidator should have received the claims and it is for the Liquidator to Look after the claims admitted by her which are to be dealt according to provisions of the Code. In the event if any claim which is stated to be due prior to e-auction, the Applicant is therefore not liable to pay the same and a direction can be given that Applicant is relieved of the liabilities that accrued prior to e-auction date. Apart from the above liabilities, the Unsecured Loans of the earlier directors, Other Loans were been were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) and the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year. Earlier Equity, Securities Premium Reserves, Share warrants forfeited premium and pending allocation of Share

Application Money has been transferred to Capital Redemption Reserve and the same has been transferred to Reserves and surplus.

2. The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset and liability is recognized for future consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the Financial Statements. Deferred Tax asset and liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the balance sheetdate. During the current year, the company recognized the deferred tax liability for an amount of Rs. 7.93 Crores and differential depreciation of the current financial year 2019-20. The earlier DTA computed wrongly the same has been written off during the same, the detailed calculation has been tabulated.
3. The Hon'ble NCLT issued a written Order date November 26, 2019, that upon completion of sale of the corporate debtor as a going concern all the claims or demands made by or liabilities or obligations owned or payable to any actual or potential creditors of the corporate debtor including Government dues whether direct or indirect, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, secured or unsecured, disputed or undisputed in relation to any period prior to the e-auction date or arising on account of the acquisition of control by the applicant over corporate debtor pursuant to e-auction, will be written off in full and shall stand permanently extinguished.
4. The Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. The earlier share capital has been transferred to Capital Redemption Reserve of the Company as on March 31st, 2020 . The earlier sharecapital will be written off in full and shall stand permanently extinguished due to the same earlier Equity Shares transferred to Capital Redemption Reserve account, and the earlier Share warrants forfeited Premium and Securities Premium Reserve were been transferred to Capital Redemption Reserve.
5. The Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiah Pagidipati on January 02, 2020, Dr Devaiah Pagidipati and his associates will be allotted shares in the new created share capital of the Company. The earlier share capital has been transferred to Capital Redemption Reserve and the Capital shown as share application money of the Company as on March 31st, 2020, since the allotment is made on December 12, 2020.
6. The company has written off Assets during the year to an amount of Rs. 4492.65 Lakhs/- due to the acquisition of a Company during Liquidation process by the new management as a going concern and damages occurred to the plant and machinery, property due to cyclones etc.
7. The Visakhapatnam unit of the company was effected by the natural calamity i.e., Cyclone Hudhud on October 12th, 2014. Due to the cyclone, the unit has incurred the loss of Rs. 1,856.23 lakhs. The damages are covered with the insurance and the petition for the claim of such losses has already been filed with the insurance company. The said claim of the company is pending for approval since past 3 years with the National Insurance Company Limited, During the Year FY 18-19 an amount of Rs. 1,00,11,895 /- received during the insolvency proceeds and liquidation process, the said amount has been recognized in the last financial year as erroneously income. Since the claim amount is pending more than 5 years, the same has been written off, but company would like to deal the said subject with insurance agencies, as and when the insurance receivable receives the same will be accounted as revenue. The total amounts in the books of accounts were been long lastingly carried were been written off during the current year.

(b) Internal Auditors

No internal Auditor was appointed for F.Y 2019-20.

(c) Cost Auditors

Cost Audit is not applicable, as the turnover is less than applicable limit and hence no cost auditor is required to be appointed.

(d) Cost Audit Records

Appointment of Cost Auditors is not applicable as the turnover is less than applicable limit and hence maintenance of cost records was not applicable to the Company.

(e) Secretarial Auditors and Report

No secretarial auditor was appointed for the F.Y. 2019-20 and hence could not be able to provide the Secretarial Audit Report and also the Annual Secretarial Compliance Certificate as required by SEBI (LODR) Regulations, 2015.

A certificate on non-disqualification of directors as required by the SEBI Regulations forms part of this Report.

Corporate Social Responsibility (CSR)

Since the Company did not have profits (average net profits for the last three financial years), it was not obligated to contribute towards CSR activities during FY 2019-20. However, the Company is committed to build its CSR capabilities on a sustainable basis and undertake CSR activities as and when the opportunity arises.

Also, the Company admitted for IRP and further went for liquidation and was sold as a going concern through e-auction. The sale was completed on January 02, 2020 and the liquidation process against the Company was disposed of by the Order of Hon'ble NCLT, Hyderabad on June 26, 2020.

The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is not required to be given as the Company was not required to contribute towards CSR activities during FY 2019-20.

Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

The Management Discussion and Analysis gives details of the overall industry structure, developments, performance and state of affairs of the Company's various businesses viz., Bio Diesel Products, Internet Service Provider services, internal controls and their adequacy, risk management systems and other material developments during the financial year.

Management Discussion and Analysis Report is presented in a separate section which forms part of this Report as **Annexure-VII**.

Corporate Governance

A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of the Annual Report.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

Statement containing additional information as required under Schedule V of the Companies Act, 2013

A statement containing additional information as required under Clause IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Risk Management

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Risk Management Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Internal Financial Control Systems and their adequacy

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Consolidated financial statements

Consolidation of Subsidiary Company was not carried due to adoption of the Consolidated Balance sheet for the financial year 2018-19 were not carried out during the IRP tenure. The same has been cascaded for the financial year 2019-20.

Other Statutory Disclosures**Vigil Mechanism**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Extract of Annual Return

The Extract of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 is enclosed as **Annexure-IV** to this Report and also placed on the website of the Company at www.sol.net.in.

Prevention of Sexual Harassment of Women at Workplace

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The internal complaints committee was duly constituted as required. During the financial year ended March 31, 2020, the Company has not received any Complaints pertaining to Sexual Harassment.

Particulars of Loans, Guarantees or Securities or Investments

The Company has not given loans / guarantees or made any investments during the year under review.

CEO/CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO of the Company have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2020 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

Disclosure under Section 197(14) of the Companies Act, 2013

The CEO does not receive any such remuneration or commission from the Company or its subsidiary company which requires disclosure under Section 197(14) of the Companies Act, 2013.

Related party transactions

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.sol.net.in.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as **Annexure-III** to this Report.

Particulars in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the **Annexure-I** forming part of this Report.

Statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is provided as **Annexure V** to this report.

Ratio to remuneration to each directors and particulars of employees

Information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided along with a statement containing, inter alia, names of employees employed throughout the financial year and in receipt of remuneration of Rs. 102 lakhs or more, employees employed for part of the year and in receipt of Rs. 80.50 lakhs or more per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **Annexure VI** to this report.

Human Resources

The industrial relations of the Company continued to be harmonious during the year under review.

Dematerialisation of Shares

As on March 31, 2020, all the old share capital was extinguished as per the Order of the Hon'ble NCLT dated November 26, 2019 and the Company allotted new equity shares of 4,50,00,000 of Rs. 10/- each on December 12, 2020 in compliance with the said Order of Hon'ble NCLT. All the new shares are yet to be dematerialized after obtaining the BSE approval for listing. The Company is in the process of obtaining the listing approval from the BSE for the new shares of the Company.

Insurance

The properties and assets of your Company are adequately insured.

Revision of Financial Statements

There was no revision of the financial statements for the year under review

Compliance with SEBI (LODR) regulations, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. www.sol.net.in

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarisation programme for Independent Directors
- Sexual Harassment Policy
- Related Party Policy
- Code of Conduct

Non-Executive Directors Compensation and disclosures:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors. The details of sitting fee paid were given in the Report on corporate governance.

Industry based disclosure

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

Event based disclosure

During the year under review, the Company has not taken up any of the following activities:

1. **Issue of sweat equity share:** The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
2. **Issue of shares with differential rights:** The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
3. **Issue of shares under employee's stock option scheme:** The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
4. **Non- Exercising of voting rights:** During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
5. **Disclosure on purchase by company or giving of loans by it for purchase of its shares:** The Company did not purchase or give any loans for purchase of its shares.
6. **Preferential Allotment of Shares:** The Company did not allot any shares on preferential basis during the period under review.

However, Hon'ble NCLT, Hyderabad bench issued a written Order on November 26, 2019 directing that the old paid up equity share capital shall stand extinguished and all those shareholders will not be entitled to any shares of the Company and they may approach the then liquidator of the Company for making claims from liquidation proceeds u/s 53 of the Code.

The said NCLT Order directed that without further act, deed or thing, the Company shall allot 4,50,00,000 equity shares at a face value of Rs. 10/- each to the successful bidder i.e. Dr Devaiah Pagidipati and his Associates which shall constitute 100% of the equity of the Company and such allotment shall be deemed to have been made in accordance with applicable laws.

Directors' responsibility statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms;

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2019-20 and of the statement of profit of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts for the year 2019-20 have been prepared on a going concern basis.
- v. Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Appreciation

The new board wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to stream line all the pending compliances and thereby to have a fresh start for the Company.

Acknowledgement

The new board take this opportunity to place on record their sincere thanks to the suppliers, customers, strategic partners, Banks and Financial Institutions, Insurance Companies, Central and State Government, Indian Railways Organisation for Alternate Fuels, Indian Railways, Telangana State Road Transport Corporation, Andhra Pradesh State Road Transport Corporation, Material suppliers, customers and the new shareholders for their support and co-operation extended to the Company from time to time. Board is pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

By order of the Board
For Southern Online Bio Technologies Limited

Date: **December 29, 2020**

Place: **Hyderabad**

Dr Devaiah Pagidipati
Director & CEO
DIN: 05147621

Mr Brijmohan Venkata Mandala
Director
DIN: 00295323

ANNEXURE-I

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO (Information Under Section 134(3)(m) of The Companies Act, 2013, Read with Rules 8(3) of the Companies (Accounts) Rules, 2014)

FORM A

- | | | | |
|------|------------------------------|---|-----|
| 1. | CONSERVATION OF ENERGY | | |
| (i) | Energy Conservation measures | : | Nil |
| (ii) | Total energy consumption | : | Nil |
| 2. | TECHNOLOGY ABSORPTION | : | Nil |

FORM B

(Disclosure of particulars with respect to Technology Absorption)

- | | | | |
|----|---|---|----|
| A. | Research and Development (R & D) | | |
| 1. | Specific areas in which R & D is carried out by the company | : | NA |
| 2. | Benefits derived as a result of the above R & D | : | NA |
| 3. | Future plan of action | : | NA |
| 4. | Expenditure on R & D | : | NA |
| B. | Technology absorption, adaptation and innovation | : | NA |

The Company is making all its efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports and initiatives taken to increase export products and services and export plans :
NIL

ANNEXURE – III**FORM AOC-2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

S. No	Particulars	Details
1	Name(s) of the related party & Nature of relationship	Nil
2	Nature of contracts/arrangements/transaction	Nil
3	Duration of the contracts/arrangements/Transactions	Nil
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Date of approval by the Board, if any	Nil
6	Amount paid as advances, if any	Nil

ANNEXURE - IV**EXTRACT OF ANNUAL RETURN
FORM MGT 9**

**(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)
Financial Year ended on 31.03.2020**

I. REGISTRATION & OTHER DETAILS:		
I	CIN	: L72900TG1998PLC030463
ii	Registration Date	: 09.11.1998
iii	Name of the Company	: SOUTHERN ONLINE BIOTECHNOLOGIES LTD.
iv	Category/Sub-category of the Company	: Company limited by shares/Non-Government Company
V	Address of the Registered office & contact details	: Flat No. A3, 3 rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad, Telangana-500004 Tel:(040)23241999, Fax:(040)23241444 Website: www.sol.net.in, Email: cs@sol.net.in
Vi	Whether Listed Company	: Listed at BSE Ltd
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	: Aarhi Consultants Pvt.Ltd. 1-2-285,Domalguda, Hyderabad-500029 Phone:040-27642217/27638111,Fax:040-27632184 Email: info@aarhiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

S. No	Name & Description of main products/services	NIC Code of the Product/service	%Total turnover of the company
1	Internet Services Division	-	100
2	Bio Diesel division	40107	0
3	IROAF (Railway Bio-Diesel Projects Execution works)	-	0

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1	Southern Biofe Biofuels Pvt. Ltd	U40107TG2002PTC038919	Subsidiary	99.97	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
[As per the Hon'ble NCLT, Hyderabad bench Order dated November 26, 2019 read with Sale Certificate dated January 02, 2020, the following is the new shareholding pattern]

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Indian									
a. Individuals/Hindu undivided Family	0	0	0	0	0	4,50,00,000	4,50,00,000	100	100.00
b. Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d. Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
e.i. Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
e.ii. Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(1)	0	0	0	0	0	4,50,00,000	4,50,00,000	100	100.00
Foreign									
a. Individuals(Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b. Government	0	0	0	0.00	0	0	0	0.00	0.00
c. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d. Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
f.i. Corporate Bodies - Foreign Body	0	0	0	0.00	0	0	0	0.00	0.00
f.ii. Corporate Bodies - OCB Non Repatriable	0	0	0	0.00	0	0	0	0.00	0.00
f.iii. Corporate Bodies - OCB Repatriable	0	0	0	0.00	0	0	0	0.00	0.00
f.iv. Foreign Institutional Investor (FII) - Others	0	0	0	0.00	0	0	0	0.00	0.00
f.v. Foreign Institutional Investor (FII) - DR	0	0	0	0.00	0	0	0	0.00	0.00
f.vi. Bank - Foreign Bank	0	0	0	0.00	0	0	0	0.00	0.00
f.vii. Trust	0	0	0	0.00	0	0	0	0.00	0.00

Sub-Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	0	0	0	0	0	4,50,00,000	4,50,00,000	100	100.00

Category of Shareholders	No.of Shares held at the beginning of the year				No.of Shares held at the ending of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) Public Shareholding	0	0	0	0	0	0	0	0	0
1 Institutions									
(a) Mutual Funds/UTI									
(b) Financial Institutions/Banks									
(c) Central Government/State Government(s)									
(d) Venture Capital Funds									
(e) Insurance Companies									
(f) Foreign Institutional Investors									
(g) Foreign Portfolio Investors									
(h) Qualified Foreign Investor									
(i) Any Others(Specify)									
(i-i) Foreign Companies									
Sub Total (B)(1)	0	0	0	0	0	0	0	0	0
B2 Non-Institutions									
(a) Bodies Corporate	0	0	0	0	0	0	0	0	0
(b) Individuals									
(I) Individual shareholders holding nominal share capital upto Rs.2 lakh									
(II) Individual shareholders holding nominal share capital in excess of Rs.2 lakh									
(c) Qualified Foreign Investor									
(d) Any Others(Specify)									
(d-i) Non Resident Individuals									
(d-ii) Overseas Corporate Bodies									
(d-iii) Trusts (NBFC)									
(d-iv) Employees									
(d-v) NRI - Non Repatriable									
(d-vi) Clearing Members									
(d-vii) Foreign Nationals									

(d-viii) FCCB									
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C) Shares held by Custodians and against Depository Receipts have been issued									
1. Shareholding of Promoters and Promoter Group	0	0	0	0	0	0	0	0	0
2. Public Shareholding	0	0	0	0	0	0	0	0	0
Total Non-Promoter-Non Public Shareholding (C)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	0	0	0	0	0	4,50,00,000	4,50,00,000	100	100.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
Total Non-Promoter-Non Public Shareholding (C)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total	0	0	0	0	0	4,50,00,000	4,50,00,000	100	100.00

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in
		No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered	No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered	
								Shareholding during the year

				to total shares			to total shares	
1	Dr Devaiah Pagidipati	0	0	0	4,49,94,000	99.988	0	99.988
2	Dr P Rudrama Devi	0	0	0	1000	0.002	0	0.002
3	Mr. Venkata Brijmohan Mandala	0	0	0	1000	0.002	0	0.002
4	Mr. Rajasekhar Gopalajosyula	0	0	0	1000	0.002	0	0.002
5	Mr. Venkata Rama Krishna Prasad Gottipati	0	0	0	1000	0.002	0	0.002
6	Mr. Raghuram Garimella	0	0	0	1000	0.002	0	0.002
7	Mr. Fatima Reddy Kommareddi	0	0	0	1000	0.002	0	0.002
	Total	0	0	0	4,50,00,000	100.00	0	100.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SNo.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
1	At the beginning of the year	Nil	0	0	0
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	-	-	4,50,00,000	100.00
3	At the End of the year	Nil	0	4,50,00,000	100.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

S No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A	At the beginning of the year	0	0	0	0

(v) Shareholding of Directors and Key Managerial Personnel :

S. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year				
1	Dr Devaiah Pagidipati	0	0	4,49,94,000	99.988
2	Mr Venkata Brijmohan Mandala	0	0	1,000	0.002

3	Mr Madana Mohana Rao Yalamanchili	0	0	0	0
4	Dr Divya Sunitha Raj	0	0	0	0
Total		0	0	4,49,95,000	99.990
II	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	No equity shares allotted to Directors and Key Managerial Personnel during the year 2019-20 except as per the Hon'ble NCLT order dated November 26, 2019			

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs in Lakhs)

Financial year 2019-20				
Particulars	Secured Loans	Un-Secured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i). Principal Amount	32,234.97	1,053.45	-	33,288.42
ii). Interest due but not paid	4,020.24	-	-	4,020.24
iii). Interest accrued but not due		-	-	-
Total (i+ii+iii)	36,255.22	1,053.45	-	37,308.67
Change in Indebtedness during the financial year				
Addition	(32,234.97)	(143.73)	-	(32,378.70)
Reduction	(4,020.24)	-	-	(4,020.24)
Net Change	(36,255.22)	(143.73)	-	(36,398.94)
Indebtedness at the end of the financial year				
i). Principal Amount	-	909.72	-	909.72
ii). Interest due but not paid	-	-	-	-
iii). Interest accrued but not due		-	-	-
Total (i+ii+iii)	-	909.72	-	909.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

(Rs in Lakhs)

S. No. Particulars	Name of MD/WTD/ Manager					Total Amount
1. Gross salary						
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961						
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961						

2. Stock Option	-	-	-	-	-	-
3. Sweat Equity	-	-	-	-	-	-
4. Commission - as% of profit - others, specify	-	-	-	-	-	-
5. Others, please specify	-	-	-	-	-	-
Total(A)						

B. Remuneration to other directors: Nil

(Rs in Lakhs)

S. No. Particulars	Name of Directors						Total Amount
1. Independent Directors Fee for attending board committee meetings Commission Others, please specify Total(1)	-	-	-	-	-	-	-
2. Other Non-Executive Directors Fee for attending board committee meetings Commission Others, please specify Total(2)	-	-	-	-	-	-	-
3. Total (B)=(1+2)	-	-	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to key managerial personnel other than MD/manager/WTD: Nil

S. No. Particulars	Key Managerial Personnel			
	Company Secretary	CEO	CFO	Total
1. Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites u/s 17(2) Income Tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission - as % of profit - others, specify...	-	-	-	-
Total	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Company Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty Punishment	Nil				
B. DIRECTORS					
Penalty Punishment	Nil				
C. OTHER OFFICERS IN					
Penalty Punishment Compounding	Nil				

By order of the Board
For Southern Online Bio Technologies Limited

Date: **December 29, 2020**Place: **Hyderabad**

Dr Devaiah Pagidipati
 Director & CEO
 DIN: 05147621

Mr Brijmohan Venkata Mandala
 Director
 DIN: 00295323

ANNEXURE – V**STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

SI No	Particulars	Details				
1	Name of the employee	Mr Bandaru Narasimha Swamy	Mr K.V.Butchi Babu	Mr Ganna .V	Mr Rajeev Kumar B.	Mr Dhanraj Dakuri
2	Designation of the employee	G.M - ISP Division	DGM	DGM-Marketing	Manager - Marketing	Cable Main. Manager
3	Remuneration received	7,61,376	7,24,800	6,60,000	3,97,332	3,36,096
4	Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
5	Qualifications and experience of the employee	MS (IT)	BSC (Computers Science)	MA, MPhill	BSC	Graduate
6	Date of commencement of employment	1999	2000	2001	2006	2006
7	The age of the employee	50 Y	49 Y	50 Y	47 Y	44 Y
8	The last employment held by such employee before joining the company	Nil	Nil	Nil	Nil	Nil
9	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Nil	Nil	Nil	Nil	Nil
10	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager N	No relationship	No relationship	No relationship	No relationship	No relationship

SI No	Particulars	Details				
		1	Name of the employee	Mr G.Ramchander	Mr Ramakrishna Koli	Mr K.Viyaya Bhaskar Reddy
2	Designation of the employee	Recovery Executive	Customer support	Service's Account Manager	Accountant	Recovery Executive
3	Remuneration received	2,90,640	2,72,589	2,62,368	2,41,380	2,41,200
4	Nature of employment, whether contractual or otherwise	Permanent	Permanent	Permanent	Permanent	Permanent
5	Qualifications and experience of the employee	Under Graduate	Graduate	B.Tech (Computer Science)	Graduate	Under Graduate
6	Date of commencement of employment	1999	2011	2000	2000	2000
7	The age of the employee	45 Y	49 Y	49 Y	40 Y	54 Y
8	The last employment held by such employee before joining the company	Nil	Nil	Nil	Nil	Nil
9	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Nil	Nil	Nil	Nil	Nil
10	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager N	No relationship	No relationship	No relationship	No relationship	No relationship

ANNEXURE – VI

The details of remuneration during the year 2019-20 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows:

Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

SI No	Particulars	Details
1	The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.	Nil
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Nil
3	The percentage increase in the median remuneration of employees in the financial year	Nil
4	The number of employees on the rolls of the company	35
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration	Nil
6	Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration of Directors was as per the policy on nomination, remuneration and Board diversity of the Company.

Note: Directors have not drawn remuneration for the financial year 2019-2020, in view of ongoing liquidation process against the Company and the said liquidation process closed by the Order of the Hon'ble NCLT, Hyderabad bench w.e.f. June 22, 2020.

ANNEXURE – VII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Structure and Developments, Opportunities and Threats, Performance, Outlook, Risks and Concerns

The total revenue of the Company for the financial year ended March 31, 2020 is Rs 33666.10 lakhs as compared to the previous year's total revenue of Rs 370.66 lakhs. During this financial year the Company has accrued a net profit of Rs 18478.09 lakhs as against the previous year's net profit of Rs 4539.96 lakhs.

As per Government of India's Initiatives to promote the use of Bio diesel fuel, Government has made it compulsory to use 5% as bio diesel fuel of its total fuel requirement. On account of this mandatory action, the Company has good number of orders in hand various Government owned transport organisations.

Indian Government has introduced a new policy. The GoI policy is to ensure that a minimum level of biofuels become readily available in the market to meet the demand at any given time. An indicative target of 5% blending of bio diesel by 2030 is proposed.

The Government has made mandatory 5% usage of bio diesel across all Zonal Railways in India which has led to bag us plenty of orders from Zonal railways for the supply of the bio diesel.

Company plans to revive the present situation.

b) Internal Financial Control Systems and their Adequacy

The Company has adequate internal financial control systems and procedures in all operational areas and at all levels equipment's procurement, finance, administration, marketing and personnel departments. The Company also has Internal Audit systems commensurate with its size and nature of business. The internal audit function will be done by a firm of Chartered Accountants. The Audit committee reviews the internal audit reports and the adequacy of internal controls from time to time.

c) Financial review

The Highlights of Financial Operational Performance are given below:

(Rs. In Lakhs)

Particulars	2019-20	2018-19
Total Income	33,666.10	370.66
Total Expenditure	9,098.90	1,973.94
Profit before Tax	24,567.20	(1,603.28)
Provision for Tax	7,984.89	(6,143.24)
Profit after Tax	16,582.31	4,539.96
Transfer to General Reserve	-	-
Profit available for appropriation	16,582.31	4,539.96
Provision for Proposed Dividend	-	-
Provision for Corporate Tax	-	-
Balance Carried to Balance Sheet	16,582.31	4,539.96

d) Human Resources Development and Industrial Relations

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development.

Industrial relations during the year are cordial and the Company is committed to maintain the same in future.

e) Closure of Liquidation process against the Company during the Year

The members are informed that pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench dated October 05, 2018 ("NCLT Order"), Corporate Insolvency Resolution Process ("CIRP") has

been initiated for the Southern Online Bio Technologies Limited ("the Company") in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued thereunder ("Code").

Mrs. CA G Kalpana, was appointed as Interim Resolution Professional (IRP) in terms of the NCLT Order who took over the management of the Company w.e.f. October 05, 2018. The Board of Directors existing as on October 05, 2018 were suspended as on that date. Subsequently, the IRP was appointed as the Resolution Professional (RP) by the Committee of Creditors as per the provisions of the Code ("Resolution Professional"). When no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Corporate Debtor. Following which the Hon'ble NCLT, Hyderabad bench on July 16, 2019 passed an order, in IA No. 565/2019 preferred by the RP for liquidating the Southern Online Bio Technologies Limited (the Corporate Debtor Company) for liquidation of the Southern Online Bio Technologies Limited (Company) by appointing Mrs. CA G Kalpana as Liquidator of the Corporate Debtor Company.

The Liquidator has issued sale notice for the sale of the Company as a going concern on October 13, 2019 and the date of E-Auction is on October 22, 2019.

Pursuant to the sale notice issued by the Liquidator, Dr Devaiah Pagidipati applied to participate in the E-Auction duly submitting the required documents and EMD amount of Rs. 5.17 Crores in the form of Demand Draft and the Liquidator after verifying the documents, declared him as the Qualified bidder and issued Login Id and Password to participate in the E-Auction.

The Qualified bidder i.e. Dr Devaiah Pagidipati participated in the E-Auction and submitted his bid for Rs. 51.70 Crores and has been declared as the Successful Bidder by the Liquidator and the Liquidator issued Letter of Intent to the Successful Bidder on October 29, 2019 to pay the balance sale consideration of Rs. 46.53 Crores plus GST and other applicable taxes if any after deducting EMD amount within 30 days from the date of issuance of the Letter of Intent or within 90 days provided that the payment made after 30 days will attract interest at the rate of 12% from the date of the issuance of the Letter of Intent.

The Successful Bidder i.e. Dr Devaiah Pagidipati paid an amount of Rs.41.53 Crores on November 28, 2019 and Rs.2 Crores on November 29, 2019 and balance Rs. 3 Crores on December 04, 2019 and paid an interest amount of Rs. 55,890/- (Rs. 6,575/- for one day and Rs. 49,315/- for 5 days) towards delayed payment.

In consideration of the payment of Rs. 51.70 Crores the Company M/s Southern Online Bio Technologies Limited (in Liquidation) is sold on 'as is where is and as is whatever there is without recourse basis' in favour of Dr Devaiah Pagidipati, 409, Jayabheri Silicon County, Kondapur Post, Madhapur, Hyderabad-500084 and the possession of the Company has also handed over to him on January 02, 2020 by issuing a sale certificate to him by the Liquidator.

Consequent to the above sale, the Hon'ble NCLT, Hyderabad bench issued a written Order on June 22, 2020 in IA No. 196/2020 in CP IB No. 343/7/HDB/2018 for closure of liquidation process against the Company.

f) Outlook

As per Government of India's Initiatives to promote the use of Bio diesel fuel, Government has made it compulsory to use 5% as bio diesel fuel of its total fuel requirement. On account of this mandatory action, the Company has good number of orders in hand various Government owned transport organizations. Indian Government has introduced a new policy. The Goal policy is to ensure that a minimum level of biofuels become readily available in the market to meet the demand at any given time. An indicative target of 5% blending of bio diesel by 2030 is proposed. Hence the Biodiesel industry has got very good future and the Company plans to revive the present situation.

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on corporate governance

Southern Online Bio Technologies Limited to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and actions of its employees. The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners. It integrates all the participants involved in a process, which is economic, and at the same time social. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executive and independent directors on the Board.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

2. Board of Directors

a) Composition and Category of Directors

In terms of compliance with the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations, 2015", the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2020, the Board of Directors ("Board") comprises of three Directors, of which one is Executive, one is Non-Executive Non-Independent and the other one is Independent Directors The composition and category of the Board of Directors is as follows:

The old board of director's stands vacated from the date on which the liquidator handed over the Company to Dr Devaiah Pagidipati who acquired the Company during the liquidation process as a going concern.

In consideration of the payment of Rs. 51.70 Crores, the Company M/s Southern Online Bio Technologies Limited (in Liquidation) is sold on 'as is where is and as is whatever there is without recourse basis' in favour of Dr Devaiah Pagidipati, 409, Jayabheri Silicon County, Kondapur Post, Madhapur, Hyderabad-500084 and the possession of the Company has also handed over to him on January 02, 2020 by issuing a sale certificate to him by the Liquidator.

Consequent to the above sale, the Hon'ble NCLT, Hyderabad bench issued a written Order on June 22, 2020 in IA No. 196/2020 in CP IB No. 343/7/HDB/2018 for closure of liquidation process against the Company.

Accordingly, the new board comprises the following as on March 31, 2020.

S. No	Name of Director	Designation	Category
1	Dr Devaiah Pagidipati	Executive Director	Promoter
2	Mr Brijmohan Mandala	Non-Executive Director	Promoter group
3	Mr Madana Mohana Rao Yalamanchili	Director	Independent

Note: one more director Dr Divya Sunitha Raj Burra was appointed as Additional Director of the Company on November 06, 2020 in the category of Woman Independent Director.

b) Attendance of each director at the Board meetings and at the last Annual General Meeting

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended March 31, 2020 has been set out here below:

S. No.	Name of Director	No. of Board Meetings		Attendance at last AGM
		Held	Attended	
1	Dr Devaiah Pagidipati	2	2	No
2	Mr Brijmohan Mandala	2	2	Yes
3	Mr Madana Mohana Rao Yalamanchili	2	2	Yes

Note: During the year under review, prior to the abovementioned board meetings, the Liquidator of the Company CA G Kalpana had conducted 4 meetings along with the suspended Board of Directors, the details of which were not available for dissemination.

c) Number of other Directorships, Committee Membership(s) & Chairmanship(s):

S. No.	Name of Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Dr Devaiah Pagidipati	7	-	-
2	Mr Brijmohan Mandala	8	5	1
3	Mr Madana Mohana Rao Yalamanchili	1	-	-

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

d) Number of Board Meetings held and the date on which held

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Six Board Meetings were held during the financial year ended March 31, 2020.

The dates on which the Board meetings were held are:

30.05.2019 14.08.2019 14.11.2019 14.02.2020 27.01.2020 31.03.2020

Out of the above first four meetings were convened by the Liquidator of the Company along with the suspended old board of directors who stands vacated from the date January 27, 2020 on which the new directors were appointed as per the Order of the Hon'ble NCLT dated November 26, 2020 read with the Sale Certificate issued by the Liquidator on January 02, 2020.

The last two meetings were held by the new board of directors.

e) Disclosure of relationship between new directors inter-se

None of the Directors are related to any other Director.

f) Shares held by Non-Executive Directors

The number of equity shares of the Company held by the non-executive directors, as on March 31, 2020 are as follows:

S No	Name of the Director	No of Equity Shares
1	Mr Brijmohan Venkata Mandala	1000

g) The details of familiarization programs imparted to independent directors is given below

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

3. Board Committees

Details of the Board Committees and other related information are provided hereunder:

I. Audit Committee

a) Brief description of terms of reference

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;
6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the
 - i. Director's Responsibility Statement;
 - ii. Major accounting entries;
 - iii. Significant adjustments in financial statements arising out of audit findings;
 - iv. Compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

b) Composition, Name of members and Chairman

As on the date of this Report, the Audit Committee comprises of Two Independent Directors and One Executive Director. The Chairperson of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:

S No	Name of the Director	Designation
1	Dr Divya Sunitha Raj Burra	Chairperson
2	Mr Madana Mohana Rao Yalamanchili	Member
3	Dr Devaiah Pagidipati	Member

- CFO, Statutory Auditors and Internal Auditors attend the Audit Committee meetings on invitation and the Company Secretary acts as the Secretary of the Committee.
- Minutes of meetings of the Audit Committee are placed before the Board and discussed in the meeting.

c) Meetings and attendance during the year

- Two Audit Committee Meetings were held during the financial year ended March 31, 2020. The maximum time gap between any of the two meetings was not more than one Hundred and Twenty days.
- The Audit Committee meetings were held on

30.05.2019, 14.08.2019, 14.11.2019, 14.02.2020

- Attendance at the Audit Committee Meeting:

The audit committee meetings were conducted by the Liquidator during her tenure i.e. until January 27, 2020 along with the suspended old board of directors of which the details were not available for dissemination.

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The old chairperson of the Audit Committee has not attended the Annual General Meeting to answer the queries raised by the shareholders regarding Audit and Accounts.

II. Nomination & Remuneration Committee

a) Brief description of terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Carry on the evaluation of every director's performance;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

b) Composition, Name of members and Chairman

As on the date of this Report, the Nomination and Remuneration Committee was constituted by the Board with 2 Independent Directors and 1 Non-Executive Director. The following is the composition of the Committee.

S No	Name of the Director	Designation
1	Dr Divya Sunitha Raj Burra	Chairperson
2	Mr Brijmohan Venkata Mandala	Member
3	Mr Madana Mohana Rao Yalamanchili	Member

- The Company Secretary acts as the Secretary of the Committee.
- Minutes of meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

c) Nomination and Remuneration Committee meetings

During the period from April 01, 2019 to March 31, 2020, No Nomination and Remuneration Committee Meetings were held.

d) Nomination and Remuneration policy

- The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, inter-alia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.
- The Non-executive directors are not paid sitting fees for attending meetings of Board/Committee.

e) Performance Evaluation of Directors

The criteria and the procedure for the process of Board evaluation is mentioned in the Directors' report.

III. Independent Directors' Meeting

During the year, meeting of Independent Directors was not held as the old board of directors were vacated the office w.e.f. January 27, 2020 from which new Board of Directors took control and management of the Company. And hence no meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Remuneration of Directors

a) Details of Remuneration of Non-executive Directors

- There were no pecuniary transactions with any non-executive director of the Company.
- Sitting Fee is not paid to Non-Executive Directors for attending the Board and Committee Meetings

b) Details of Remuneration of Executive Directors and Key Managerial Personnel: Nil

IV. Stakeholders Relationship Committee

a) Brief description of terms of reference

The Stakeholders Relationship Committee oversees and reviews all matters connected with the share transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual report/dividends etc. The committee oversees the performance of the Registrar of Transfer Agents and recommends measures for overall improvement in the quality of investor services. Email-Id for Investor Grievance: cs@sol.net.in

b) Composition as on the date of this Report

S No	Name of the Director	Designation
1	Dr Divya Sunitha Raj Burra	Chairperson
2	Mr Brijmohan Venkata Mandala	Member
3	Mr Madana Mohana Rao Yalamanchili	Member

c) Name and designation of Compliance Officer

W.e.f. 05th October, 2018 Mrs. CA G Kalpana, RP was appointed as Resolution Professional and later as a Liquidator of the company who acted as a Compliance Officer of the Company until the disposal of liquidation process against the Company on June 22, 2020 by the Order of Hon'ble NCLT.

d) Number of Shareholders complaints received so far

During the year ended March 31, 2020, the Company has not received any complaints.

e) Number of complaints not resolved to the satisfaction of shareholders is Nil

f) There were no pending complaints as at the year end

V. General Body Meetings

a) Location and Time, where last three Annual General Meetings held

Year	Locations	Date	Time
21 st AGM (2018-19)	Anion Conference Room, 8 th Floor, Swarna Jayanti Complex, beside	December 06, 2020	11.30 A.M

	Maitrivanam, Ameerpet, Hyderabad, Telangana 500038		
20 th AGM (2017-18)	Dwaraka Conference Hall, Bandlaguda Cross Roads, Rajendranagar Mandal, Hyderabad -500 080	September 29, 2018	10.00 A.M
19 th AGM (2016-17)	Dwaraka Conference Hall, Bandlaguda Cross Roads, Rajendranagar Mandal, Hyderabad -500 080	December 30, 2017	10.00 A.M

VI. Means of Communication

a) Financial / Quarterly Results

The quarterly results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Financial Express (English daily) and Mana Telangana.

b) Newspapers wherein results normally published

The results of the Company are published in widely circulated newspapers namely Financial Express (English daily) and Nava Telangana.

c) Any website, where displayed

The results of the Company are published on the Company's website: www.sol.net.in

d) Whether it also displays official news releases

Official news releases along with quarterly results are displayed on the Company's website: www.sol.net.in

e) Presentations made to institutional investors or to the analysts

There are no presentations made to the investors / analysts.

The website www.sol.net.in contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

VII. General shareholder information

Annual General Meeting	Date : December 31, 2020
	Time : 10.00 AM
	Venue : Anion Conference Room, 8 th Floor, Swarna Jayanti Complex, beside Maitrivanam, Ameerpet, Hyderabad, Telangana 500038
Financial Calendar	April 01, 2019 to March 31, 2020
Date of Book Closure	Nil
Dividend Payment Date	Nil
Listing on Stock Exchanges	BSE Ltd
Scrip/Stock Code	532669 on BSE
ISIN Number for NSDL&CDSL	INE371B01015

Market price data

BSE		
Month	High (Rs.)	Low (Rs.)

Apr-19	1.50	1.27
May-19	1.25	1.01
Jun-19	1.07	0.89
Jul-19	0.96	0.89
Aug-19*	0.94	0.93
Sep-19	-	-
Oct-19	-	-
Nov-19	-	-
Dec-19	-	-
Jan-20	-	-
Feb-20	-	-
Mar-20	-	-

* from the Month of August, 2019, trading in the shares of the Company was suspended by the stock exchange due to admission of the Company for Insolvency Resolution Plan and later for Liquidation.

Registrar & Transfer agents

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

Share Transfer System

SEBI vide its Circular No. CIR/MIRSD/8/2012, dated July 5, 2012 has reduced the time-line for registering the transfer of shares to 15 days, the Physical share transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

From the date of Order passed by the Hon'ble NCLT, Hyderabad dated November 26, 2020 read with the Sale Certificate issued by the Liquidator to Dr Devaiah Pagidipati and the Hon'ble NCLT Order dated June 22, 2020 for closure of liquidation process against the Company, all the erstwhile paid up share capital of Rs. 589932880/- stands extinguished and the New paid up share capital of Rs. 450000000/- belongs to Promoter – Dr Devaiah Pagidipati and his associates which is in physical form and the Company is in the process of dematerialization. The Company's Registrars are M/s Aarathi Consultants Pvt. Ltd., having their registered office at 1-2-285, Domalguda, Hyderabad - 500 029.

Plant Locations

Unit 1	Samsthan Narayanapur, Nalgonda Dist., Telangana
Unit 2	Plot. No. 45/A, APIIC-SEZ Atchutapuram (V&M) Visakhapatnam Dist-531011, AP.

Address for Correspondence

Sl. No	Shareholders Correspondence for	Address
1	Transfer/ Dematerialization/ Consolidation/ Split of shares, Issue of Duplicate Share Certificates, Non- receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the	M/s. Aarathi Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad -500029. Tel:(040)27642217/27638111 Fax: (040) 27632184 Email:info@aarthiconsultants.com

	shares of the Company.	
2	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Southern Online Bio Technologies Limited Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad – 500 004 Website: www.sol.net.in, E-mail: info@sol.net.in

VIII. Other Disclosures

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

b. **Details of non-compliance by the listed entity, penalties, structures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years ; None**

c. **Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, www.sol.net.in. During the financial year under review, none of the Complaint has received.

d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non- mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

e. **Web link where policy for determining 'material' subsidiaries is disclosed;**

The policy for determining 'material' subsidiaries is available on the website of the Company <http://www.sol.net.in>

f. **Web link where policy on dealing with related party transactions;**

The policy on dealing with related party transactions is available on the website of the Company: <http://www.sol.net.in>

g. **Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

IX. **As on March 31, 2020, the Company has not complied with the requirements of the Schedule V Corporate Governance report sub- paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to ongoing liquidation**

process until the Order passed by the Hon'ble NCLT, Hyderabad bench for closure of liquidation process against the Company on June 22, 2020.

X. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has not complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non- mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

XI. As on March 31, 2020, the Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	No
18	Audit Committee	No
19	Nomination and Remuneration Committee	No
20	Stake Holders Relationship Committee	No
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	No
26	Obligation with respect to Directors and Senior Management	No
27	Other Corporate Governance Requirement	No
46(2)(b)to(i)	Website	No

Note: The former Board of Directors were suspended w.e.f. October 05, 2018 due to admission of company for resolution process by the Hon'ble NCLT Order and the said directors vacated the office on January 27, 2020 from which new board of directors, as per the Hon'ble NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator on January 02, 2020, were appointed, but took the control of the Company effective from Hon'ble NCLT Order dated June 22, 2020 for closure of liquidation process against the Company.

XII. Code of Conduct

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

XIII. CEO and CFO Certification

In line with the requirements of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, CEO and CFO of the Company have submitted a certificate, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2020 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the

transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

XIV. Disclosure with respect to Demat suspense account/ unclaimed suspense account

As per the Order of Hon'ble NCLT dated November 26, 2019, all the old shareholders capital was extinguished and those old shareholders will become claimants from liquidation proceeds u/s 53 of the Code. Accordingly there are no unclaimed securities to be kept in the demat suspense account.

XV. Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended March 31, 2020, there were no proceeds from public issues, rights issues, preferential issues, etc. However during the year under review, the Company was sold as a going concern during its liquidation course to Dr Devaiah Pagidipati for an amount of Rs. 51.70 crores and the Hon'ble NCLT Order dated November 26, 2019 directed the Company that all the existing shares of the Company shall be extinguished and those existing shareholders will become claimants from liquidation proceeds u/s. 53 of IBC (Code) and further directed that upon payment of entire bid amount by Dr Devaiah Pagidipati, the Company without requirement of any further act, deed or thing, shall allot 4,50,00,000 equity shares at a face value of Rs. 10/- each for an amount of Rs. 45 Crores to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company and such allotment shall be deemed to have been made in accordance with applicable laws. The said Order also directed that the balance amount of Rs. 6.70 Crores shall be accounted in the form of unsecured debt to the Company by Dr Devaiah Pagidipati.

XVI. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company <http://www.sol.net.in>

XVII. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.sol.net.in>.

XVIII. Company's Policy on prevention of insider trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

As on March 31, 2020, Dr Devaiah Pagidipati, Director of the Company is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

XIX. Risk Management Committee

The Board of the Company has framed the risk management policy/plan for implementation and monitoring for the Company and ensuring its effectiveness. The Board of the Company oversees the Risk Management process

including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

By order of the Board
For Southern Online Bio Technologies Limited

Date: **December 29, 2020**

Place: **Hyderabad**

Dr Devaiah Pagidipati

Director & CEO

DIN: 05147621

Mr Brijmohan Venkata Mandala

Director

DIN: 00295323

CEO & CFO CERTIFICATION TO THE BOARD

Pursuant to Regulation 17(8) of SEBI (LODR), Regulations, 2015

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2020 and that these statements;
 - i. Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii. Together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of Business conduct and Ethics.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d) We have disclosed, wherever applicable to the Auditors and the Audit Committee:
 - i. That there were no deficiencies in the design or operations of Internal Controls that could adversely affect the company's ability to record, process, summarize and report financial data including any corrective actions;
 - ii. That there are no material weaknesses in the internal controls over financial reporting;
 - iii. That there are no significant changes in internal control over financial reporting during the year;
 - iv. All significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes of the financial statements; and
 - v. That there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Southern Online Bio Technologies Limited

Date: **December 29, 2020**

Place: **Hyderabad**

Dr Devaiah Pagidipati
Director & CEO

Mr U U V Ravikanth
CFO

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all the Board members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2020 as envisaged in the chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Southern Online Bio Technologies Limited

Date: **December 29, 2020**

Place: **Hyderabad**

Dr Devaiah Pagidipati
Director & CEO

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members

M/s. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED

Flat No. A3, 3rd Floor, Office Block,
Samrat Complex, Saifabad,
Hyderabad, Telangana – 500004.

We have examined and verified the books, papers, minute books, forms and returns filed and other records maintained by M/s. Southern Online Bio Technologies Limited (hereinafter referred to as the “Company”) having its registered office at Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad, Telangana – 500004 and the information provided by the Company and its directors and also based on the information available at the websites of Ministry of Corporate Affairs (i.e. www.mca.gov.in) and Securities and Exchange Board of India (i.e. www.sebi.gov.in), we hereby certify that as on the date of this certificate, none of the below mentioned directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

SI No	Name of the Director	Director Identification Number (DIN)
1	Dr Devaiah Pagidipati	05147621
2	Mr Brijmohan Venkata Mandala	00295323
3	Mr Yalamanchili Madana Mohana Rao	00745820
4	Dr Divya Sunitha Raj Burra	03412586

For RPR & ASSOCIATES
Company Secretaries

Place: **Hyderabad**
Date: **December 29, 2020**

Y. Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
UDIN: F005783B001753793

P C N & Associates.

Chartered Accountants

Plot No. 12, "N Heights", Ground Floor, Software Layout Unit, Cyberabad, Hyderabad – 500 081.

Ph. Nos. 040 23119499; email: pcnassocites@yahoo.com

To

The Members of M/s. Southern Online Bio Technologies Limited,

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate governance by M/s. Southern Online Bio Technologies Limited ("the Company"), for the year ended March 31, 2020, as stipulated in Chapter IV of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P C N & Associates.

Chartered Accountants

Firm Registration No: 016016S

K Gopal Krishna

Partner

Membership No: 203605

Place: **Hyderabad**

Date: **December 29, 2020**

INDEPENDENT AUDITOR'S REPORT

To the Members of SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED

Report on the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Southern Online Bio Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the company as at 31st March, 2020, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion:

1. The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Southern Online Bio Technologies Limited ("the Company") on 5th October, 2018 (CP(IB) 343/07 HDB / 2018) and appointed G. Kalpana on Oct 5th, 2018 to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extent provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

G. Kalpana has appointed as Resolution professional as approved by the Committed of Creditors. Insolvency and Bankruptcy process under IBC code has started on Oct 5th, 2018 which is time bound by 180 days from the date of commencement of Insolvency process. The Resolution professional and Committee of the Creditors has conducted many meetings for invitation of expression of interest by resolution applicants but no resolution application received by Resolution professional. Further Committee of creditors directed the Resolution professional to apply for extension of time with Adjudicating authority as allowed by IBC code.

Adjudicating Authority has further extended 90 days towards Insolvency and resolution process. However no resolution plans has received by the company and mandatory time limit of Insolvency and bankruptcy process has completed on July 16th, 2019. The resolution professional has filed the Liquidation application with Adjudicating authority and Adjudicating authority has passed the liquidation order on and appointed G Kalpana (Resolution professional) as Liquidator under IBC code.

The liquidator has invited the interested buyers for the purpose of sale of company and Dr. Devaiah Pagidipati deposited EMD amount of Rs. 5.17 Crores in the form of Demand Draft and participated in the E-auction held on Oct 22nd, 2019.

On Oct 23rd, 2019 Dr. Devaiah Pagidipati was declared as successful bidder who handed over the Demand Draft to Secured Financial Creditor, Bank of India / Petitioner and requested to deposit in the Liquidation Account.

The assets of Corporate Debtor (Southern Online Biotechnologies) were sold to Dr. Devaiah Pagidipati for an total consideration amount of Rs.51.7 crores as the company as whole based on going concern. This consideration amount shall be in the form of Rs.45 crores in the equity and the balance amount of Rs.6.70 crores in the form of unsecured debt.

(Please refer to Note NO.43 notes to financial statements)

2. Amounts were owing to the lending banks both in respect of Cash Credit and Term Loans the amounts paid by the Liquidator to the individual banks were apportioned to the respective loan amounts in the ratio of the amounts owing. After such apportionment, the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year.

(Please refer to Note NO 49 to notes to financial statements)

3. The company has written off the differed tax Asset pertaining to earlier financial years to statement of profit & loss account in the current year amounting to Rs 80,20,60,591/-

(Please refer to Note NO.32 notes to financial statements)

4. The Company has written off earlier unsecured loans taken by the company in acquaintance of NCLT order.

(Please refer to Note NO 43 notes to financial statements)

5. As per the NCLT order, the existing shares of Corporate Debtor (Southern Online Biotechnologies Limited) shall stand extinguished and existing shareholders will become claimants from liquidation proceeds since corporate debtor is sold as ongoing concern. Existing Equity share capital prior to corporate insolvency process, Securities Premium Reserves, Share warrants forfeited premium and pending allocation of Share Application Money has been transferred to Capital Redemption Reserve an amount of Rs 87,62,83,410/- In the current financial year 2019-2020. Approvals from SEBI, Stock exchange, Registrar of Companies towards the same are pending and approvals yet to be obtained.

(Please refer to Note NO.44 notes to financial statements)

6. The infusion of New Capital to the tune of Rs. 45.00 Crores were been considered as share application money for the preparation of balance sheet by the management of the Company.

(Please refer No 13 to notes to financial statements)

7. The company has written off Assets during the year to an amount of Rs. 4,492.65Lakhs/- (Inclusive of all assets, the major assets written offs under the Plant & Machinery head as described in notes):

(Please refer No 50 . to notes to financial statements)

8. The Visakhapatnam unit of the company was effected by the natural calamity i.e., Cyclone Hudhud on October 12th, 2014. Due to the cyclone, the unit has incurred the loss of Rs. 1,856.23 lakhs. The damages are covered with the insurance and the petition for the claim of such losses has already been filed with

the insurance company. The said claim of the company is pending for approval since past 3 years with the National Insurance Company Limited. Since the claim amount is pending more than 5 years, the same has been written off.

(Please refer No.47 to notes to financial statements)

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance(including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit Procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - a) We have sought and, except for the effects of the matter described in the Basis for Qualified Opinion have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) Except for the effects of the matter described in the Basis for Qualified Opinion, 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 those books;
 - c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion the aforesaid Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in ' **Annexure B**'; and
- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigation on its financial position to the extent ascertained, in its Ind AS financial statements
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31st March 2020.

For P C N & Associates.,

Chartered Accountants

FRN: 016016S

K Gopala Krishna

Partner

M.No. 203605

Place: **Hyderabad**

Date: **December 29, 2020**

UDIN: 20203605AAAARX6919

Annexure A to the Auditors Report

Annexure referred to in Independent Auditors Report to the Members of Southern Online Bio Technologies Limited on the Ind AS financial statements for the year ended 31st March 2020, we report that:

- i. (a) The company has not produced fixed assets register.
(b) As explained to us, the fixed assets have not been physically verified by the management during the year. Hence we are unable to comment on discrepancies between book record and physical assets.
(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, we are unable to examine the title deeds of immovable properties which are held in the name of the Company or not.
- ii. As explained to us the inventories were physically verified during the year by the management, but proof of such verification has not been produced. Consequently, discrepancies, if any between book stock and physical stock is not ascertained.
- iii. As register to be maintained by sec 189 of the companies act, 2013 has not been produced we are not in a position to comment on whether the company has granted any loans secured or unsecured to companies, firms, limited liability partnership or other parties.
- iv. We are not in a position to comment on details, as to whether provisions of Sec 185 and Sec 186 have been complied with in respect of loans, guarantees and securities, as relevant information with regard there to have not been provided by the company.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. We have broadly verified the books of accounts and records maintained by the company in respect of products where, pursuant to the rules made by the central government of India, the maintenance of cost records has been specified under the sub-section (1) of section 148 of the Companies Act 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and based on the records of the company examined by us, in respect of the Statutory dues,;
 - a) There are some delays in depositing undisputed statutory dues including Sales Tax, Service Tax, Value Added Tax (VAT), Cess and other statutory dues applicable to it. Undisputed amounts payable in respect thereof, which were outstanding for more than six months from the date they became payable are as follows which are recognised the books before the commencement of Insolvency Resolution process:

S.No	Description	Amount (Rs. Lakhs)
1	TDS	20.69
2	VAT	13.62
3	GST	12.34
4	ESI	0.61
5	PF	16.48
6	CST & Others	23.96

- viii. In our opinion, and according to the information and explanations given to us, the company has defaulted in principal repayment & interest to the banks and financial institutions, and those accounts were classified as Non- Performing Assets Prior to commencement of Insolvency process. Under the Insolvency Resolution

- process the company sold by the Liquidator and the proceeds of sale considerations has been paid off to the bank outstanding dues and no loan outstanding at the year ending 31st March 2020.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). No term loans were raised by the Company during the year.
 - x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
 - xi. The Company has not paid/provided for managerial remuneration. Hence the provisions of section 197 read with schedule V to the Act is not applicable.
 - xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provisions of clause 3(xii) of the order are not applicable to the company.
 - xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
 - xiv. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
 - xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
 - xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

For P C N & Associates.,

Chartered Accountants
FRN: 016016S

K Gopala Krishna

Partner
M.No. 203605

Place: **Hyderabad**

Date: **December 29, 2020**

UDIN: 20203605AAAARX6919

Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of **Southern Online Bio Technologies Limited** ("the Company") as of 31st march 2020 in conjunction with our audit of Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and the company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be deducted. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

1. During the Liquidation process, the Company has no appropriate internal controls for reconciliation of physical inventory with the inventory records, which has resulted in misstatement of inventory values in the books of account.
2. During the Liquidation process, the Company has no appropriate internal controls for recording financial information and maintenance of books of account, ledgers and other records.
3. During the Liquidation process, The Company has no appropriate internal controls for confirmation and reconciliation of trade receivables, trade payables, other current assets and current liabilities.
4. During the Liquidation process, the Company has no appropriate internal controls for the verification of fixed assets.

The inadequate supervisory and review control over Company's process in respect of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, the company has, in all material respects, except for the effects of the matter described in the Basis for Qualified Opinion, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended on March 31, 2020, and these material weaknesses have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

For P C N & Associates.,

Chartered Accountants
FRN: 016016S

K Gopala Krishna

Partner
M.No. 203605

Place: **Hyderabad**

Date: **December 29, 2020**

UDIN: 20203605AAAARX6919

(in Rs.)

Balance Sheet for the Year ended March 31· 2020			
Particulars	Note No	31-Mar-20	31-Mar-19
I.ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Property, Plant and Equipment	1	51,70,31,567	1,06,94,92,947
(ii) Capital work-in-progress		-	
(b) Financial assets: Investments	2	48,34,245	60,01,108
(c) Deferred tax assets (net)	3	-	77,31,75,635
(d) Long term loans and advances	4	2,14,83,902	1,29,32,310
(e) Other non-current assets	5	2,95,36,888	21,34,925
(2) Current assets			
i) Financial assets:			
(a) Inventories	6	2,14,10,908	4,58,53,762
(b) Trade receivables	7	1,69,89,088	4,35,62,581
(c) Cash and cash equivalents	8	7,53,203	36,33,066
(d) Short-term loans and advances	9	1,62,393	22,74,77,835
(e) Other current assets	10	25,06,277	5,96,61,091
Total		61,47,08,471	2,24,39,25,260
II. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Equity Share Capital	11	-	58,99,32,880
(b) Other Equity	12	4,44,80,349	(2,20,36,83,967)
(c) Non - Controlling Equity		-	
(2) Share application money pending for allotment	13	45,00,00,000	30
(3) Non-Current Liabilities			
(a) Long-term borrowings	14	7,87,55,000	1,85,60,35,957
(b) Deferred tax liabilities (Net)		2,53,12,872	
(b) Other Long term liabilities	15	2,50,300	5,85,60,571
(d) Long term provisions		-	
(4) Current Liabilities			
(a) Short-term borrowings	16	-	1,81,62,70,303
(b) Trade payables	17	1,22,17,434	10,13,59,302
(c) Other current liabilities		-	
(c) Short-term provisions	18	36,92,517	2,54,50,184
Total		61,47,08,471	2,24,39,25,260

Summary of Significant Accounting Policies the accompanying

Notes are an Integral Part of the Financial Statements

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AS PER OUR REPORT OF EVEN DATE

For P. C. N. Associates.,

Chartered Accountants

FRN: 016016S

For Southern Online Bio Technologies Limited**K Gopala Krishna**

Partner

Membership No: 203605

Dr. Pagidipati Devaiah

Director &CEO

(DIN: 05147621)

Mr. Brij Mohan Venkata Mandala

Director

(DIN: 00295323)

Mr. U U V Ravikanth

Chief Financial Officer

Mr. Kolli Srikanth Reddy

Company Secretary

Place : **Hyderabad**Date : **December 29, 2020**

Statement of Profit and Loss for the year ended March 31, 2020

(in Rs.)

Particulars	Note No	31-Mar-20	31-Mar-19
I. Net Sales / Income from Operations (Net of Excise Duty)	19	2,09,06,869	2,59,34,662
II. Other Operative Income	20	3,34,57,03,456	1,11,31,742
III. Total Income From Operations Revenue (I+II)		3,36,66,10,325	3,70,66,404
IV. Expenses:			
Cost of materials consumed	21	1,68,770	-
Purchase of Stock-in-Trade	21	(2,44,42,854)	-
Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	22	2,44,42,854	-
Employee benefit expense	23	66,99,334	81,69,622
Other operating expenses	24	46,49,86,236	2,45,32,796
Administrative Expenses	25	33,89,75,051	43,60,601
Financial costs	26	10,50,467	6,13,77,330
Depreciation and amortization expense	1	9,80,10,553	9,89,53,744
Total Expenses		90,98,90,412	19,73,94,093
V. Profit / (Loss) before tax (III - IV)		2,45,67,19,913	(16,03,27,689)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		79,84,88,507	(61,43,23,658)
Net Profit (+) / Loss (-) from ordinary activities after tax (V-VI)		1,65,82,31,406	45,39,95,969
VII. Extraordinary items (net of tax expenses)			
a) Loss			
b) Insurance claim's fi any			
Net Profit (+) / Loss (-) for the period (VI-VII)		1,65,82,31,406	45,39,95,969
VIII. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period (VII+VIII)		1,65,82,31,406	45,39,95,969
IX. Earnings Per Equity Share - (for Continuing operation)			
Basic (Rs.)		-	7.70
Diluted (Rs.)		-	7.70
X. Earnings Per Equity Share - (for Discontinued operation)			
Basic (Rs.)			
Diluted (Rs.)			
XI. Earnings Per Equity Share - (for Continuing & Discontinued operation)			
Basic (Rs.)		-	7.70
Diluted (Rs.)		-	7.70

AS PER OUR REPORT OF EVEN DATE

For P. C. N. Associates.,

Chartered Accountants

FRN: 016016S

For Southern Online Bio Technologies Limited**K Gopala Krishna**

Partner

Membership No: 203605

Dr. Pagidipati Devaiah

Director & CEO

(DIN: 05147621)

Mr. Brij Mohan Venkata Mandala

Director

(DIN: 00295323)

Mr. U U V Ravikanth

Chief Financial Officer

Mr. Kolli Srikanth Reddy

Company Secretary

Place : **Hyderabad**Date : **December 29, 2020**

(in Rs.)

Cash Flow Statement For The Year Ended 31.03.2020		
Particulars (Year Ended)	31-Mar-20	31-Mar-19
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss before tax & extraordinary items	2,45,67,19,913	(16,03,27,689)
Adjustments for:		
Depreciation	9,80,10,553	9,89,53,744
Written off Expense	-	-
Interest	10,50,467	6,13,77,330
Operating Profit before working capital charges	2,55,57,80,933	3,385
Increase in Loans and Advances	24,85,16,701	(5,57,12,592)
Trade and other receivables	2,65,73,493	56,16,863
Inventories	2,44,42,854	-
Trade payables	(11,08,99,536)	(16,91,83,729)
Cash generated from operations	2,74,44,14,444	(21,92,76,073)
Interest paid	10,50,467	6,13,77,330
Cash flow before extraordinary items - (A)	2,74,33,63,977	(28,06,53,403)
NET CASH FLOW FROM OPERATING ACTIVITIES		
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Capital Work in Progress.	-	-
Interest and exp capitalization	-	-
Purchase of Fixed Assets	(45,44,50,827)	(1,29,71,480)
Investments made in subsidiaries	(11,66,863)	(0)
Net cash used in investing activities - (B)	(45,56,17,690)	(1,29,71,480)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Creditors for capital goods		
Increase / decrease in Secured Loans	(3,59,35,51,260)	26,91,08,852
Increase / decrease in Long Term liabilities	(5,83,10,271)	(27,53,691)
Increase / decrease in Equity & Share Capital	(13,99,32,910)	
Increase / decrease in Inc Capital Reserve	58,99,32,910	
Net Cash used in Financing activities - (C)	(3,20,18,61,531)	26,63,55,162
Net increase in cash and cash equivalents - (A-B+C)	(28,79,864)	(13,26,760)
Cash and Cash equivalents as at (Opening Balance)	36,33,067	49,59,827
Cash and Cash equivalents as at (Closing Balance)	7,53,203	36,33,067

AS PER OUR REPORT OF EVEN DATE

For P. C. N. Associates.,

Chartered Accountants

FRN: 016016S

For Southern Online Bio Technologies Limited**K Gopala Krishna**

Partner

Membership No: 203605

Dr. Pagidipati Devaiah

Director & CEO

(DIN: 05147621)

Mr. Brij Mohan Venkata Mandala

Director

(DIN: 00295323)

Mr. U U V Ravikanth

Chief Financial Officer

Mr. Kolli Srikanth Reddy

Company Secretary

Place : **Hyderabad**Date : **December 29, 2020**

NOTE NO: 1 Property Plant Equipment - March 31st, 2020

Sl. No	Particulars	As on 01.04.2019	Additions during the year / Through Restoration / Capitalised	Sale / Deletions during the year	As on 31.03.2020	Rate of Depreciation	Dep. As on 01.04.2019	Retained Earnings	Dep. For 12 Months	Impairment Loss / Reversal of Impairment Loss for the Year	Total Depreciation	Net Block as on 31.03.2020
1	Land	5,46,49,032	-	-	5,46,49,032	0.00%	-	-	-	-	-	5,46,49,032
2	Buildings @60 Years	58,47,273	-	-	58,47,273	1.58%	11,74,935	-	92,387	-	12,67,322	45,79,951
3	Buildings @30 Years	15,20,22,155	-	10,88,668	15,09,33,487	3.17%	3,69,98,144	-	47,84,592	2,40,676	4,15,42,060	10,93,91,427
4	Plant & Machinery	1,46,66,13,166	-	68,72,60,481	77,93,52,685	6.33%	57,69,28,156	-	9,27,20,405	23,79,25,023	43,17,23,540	34,76,29,269
5	Office Equipment	49,00,642	-	-	49,00,642	19.00%	49,00,242	-	-	-	49,00,242	400
6	Computers	9,19,61,443	-	-	9,19,61,443	31.67%	9,19,61,143	-	-	-	9,19,61,143	300
7	Furniture's	70,25,955	-	9,85,489	60,40,466	9.50%	56,40,113	-	2,53,943	-	58,94,056	1,46,410
8	Vehicles	31,92,988	-	-	31,92,988	11.88%	23,98,981	-	1,59,225	-	25,58,206	6,34,782
	Total	1,78,62,12,654	-	68,93,34,638	1,09,68,78,016		72,00,01,714	-	9,80,10,552	23,81,65,699	57,98,46,568	51,70,31,571

NOTE NO. 2 : Non - Current Investments - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Non- Current Investments.		
	1) Investment in Subsidiaries		
	Equity Shares:		
	a) Southern Biofe Bio Fuels Pvt Ltd - 99.97%	48,34,245	48,34,245
	b) Marvel Bio Oil, FZE, Sharjah	-	11,66,863
	Total Non - Current Investments	48,34,245	60,01,108

Note:

Transfer of subsidiaries - As a part of the NCLT Order, Liquidation Proceeds as "going concern", the Company has transferred identified entities to the identified buyer its entire equity investment/ownership interest held in the those identified entities, at a fair market value on "as is where is" and "as is whatever is" basis.

Subsequently the Marvel Bio Oil, FZE, Sharjah unit has been closed which is been confirmed by the free trade authorities of Sharjah in the FY 18-19, the said investment treated as investment written off during the FY 19-20.

No other investments were made by the company, The Marvel Bio Oil FZE Sharjah, UAE, which was another subsidiary of the Company has been closed in the FY 2018-19 due to severe funds constraints, the same has been accounted for the as investment written off during the year FY 19-20.

NOTE NO. 3 : Deferred Tax Asset / (Liability) - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Opening Deferred tax Liability	2,88,84,956	
	Add:	-	
	Reversal of Deferred Tax asset/(Liability)	-	
	Deferred Tax Asset During the year	-35,72,084	
	Gross Deferred tax Liability	2,53,12,872	-
	Opening Deferred tax Asset	80,20,60,591	15,88,51,977
	Deferred Tax Asset Written Offs / Rectified *	-80,20,60,591	61,43,23,658
	Gross Deferred tax Asset	-	77,31,75,635
	Deferred Tax Asset / (Liability)	(2,53,12,872)	77,31,75,635

*Deferred Tax Asset has been written off during the current financial year as there were no reliably estimates for future taxable income. Also the company has bought by the new buyer under the NCLT proceedings, the Deferred Tax Asset has been written off during the current financial year.

NOTE NO. 4 : Long Term Loans & Advances - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Long - term loans and advances:		
	a) Security Deposit		
	Secured	15,85,000	1,29,32,310
	c) Loans and advances to related parties (giving details thereof)		
	Secured	1,96,98,493	
	Unsecured	-	
	Doubtful	-	
	d) Other loans And advances (Specify the nature)		
	Secured	2,00,409	
	Unsecured	-	
	Doubtful	-	
	Total Long Term Loans & Advances	2,14,83,902	1,29,32,310

NOTE NO. 5 : Other Non Current Assets - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Long Term Trade Receivables (Including trade receivables on Deferred Credit Basis)		
a	Secured	2,95,36,888	
b	Unsecured	-	21,34,925
	Total Other Non Current Assets	2,95,36,888	21,34,925

NOTE NO. 6 : Inventories - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Inventories :		
	a) Raw materials		
	Palm Stearin / Rice Bran Oil	-	-
	Equipment's	-	-
	Used Cooking Oil	-	34,501
	Seeds	-	1,57,363
	Fatty Acid Oil / RBD Palm Oil / Refined Palm Oil	-	-
	Chemicals & Consumables	-	37,69,555
	Sub Total	-	39,61,419
	b) Finished goods		
	Bio Diesel.	-	23,68,600
	Glycerine.	-	17,52,315
	Rice Bran Oil	-	-
	Sludge and Fatty Acid.	-	47,64,621
	Other Stock	2,14,10,908	2,14,10,908
	Sub Total	2,14,10,908	3,02,96,445
	c) Stores and spares	-	1,15,95,898
	f) Loose tools		
	Total Inventories	2,14,10,908	4,58,53,762

NOTE NO. 7 : Trade Receivables - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
1	Trade Receivables	-	4,35,62,581
	Secured - Below 6 Months	-	
	Un Secured - Above 6 Months	20,50,750	
	Other debts	1,49,38,338	
	Total Trade Receivables (net)	1,69,89,088	4,35,62,581

NOTE NO. 8 : Cash & Bank Balances - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Cash and cash equivalents :		
	a) Balances with banks - On Current Accounts	7,45,751	36,21,894
	b) Cash on hand	7,452	11,172
	Total Cash and Cash Equivalents	7,53,203	36,33,066

NOTE NO. 9 : Short Term Loans & Advances - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Short - Term Loans and Advances		
	a) Security Deposit		
	LC Margin & Other Deposit	-	1,67,29,027
	Unsecured	-	
	Doubtful	-	
	b) Loans and Advances to Related Parties		
	Secured	-	
	Unsecured	-	
	Inter Divisions	(0)	
	c) Other Loans and Advances		
	Secured - Raw Materials etc,	-	
	Secured - Other Advances - FD towards IROAF	1,62,394	2,51,25,915
	Insurance Claim / Others*	-	18,56,22,893
	Total Cash and Cash Equivalents	1,62,394	22,74,77,835

*Insurance claims has been written off during the year, since the said receivable is long-lasting considered to be written off during the year (Kindly refer to the note 47).

NOTE NO. 10 : Other Current Assets - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Unamortised Premium on forward contracts		
	VAT Input/TDS Receivable/GST Input	25,06,278	5,96,61,091
	Total Cash and Cash Equivalents	25,06,278	5,96,61,091

NOTE NO. 11 : EQUITY SHARE CAPITAL

S. No.	Particulars	As at 31.03.2020		As at 31.03.2019	
		No. of Shares	(Rupees)	No. of Shares	(Rupees)
a	Equity Share Capital (For each class of capital)				
	(a) Authorised	7,50,00,000		7,50,00,000	
	(b) Issued	-	-	5,89,93,288	58,99,32,880

	(c) Subscribed & Fully Paid Up		-		58,99,32,880
	(d) Subscribed & not fully paid up				
	(e) Par value per share Rs. 10				
	Total Equity Share capital		-		58,99,32,880
b	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	Number of Shares		Number of Shares	
	Equity Shares of Rs.10 Each, Fully paid up :				
	At the Beginning		-	5,89,93,288	
	Issued during the year - Bonus Issue		-	-	
	Issued during the year - Cash Issue		-	-	
	Issued during the year - ESOP		-	-	
	Issued during the year - Pref Issue		-	-	-
Forfeited / Bought Back during the year		-	-		
At the end		-	5,89,93,288		
c	Details of Shareholder holding more than 5% shares of the company which is still not allotted and proposed share holding as per NCLT order as given below:	% of Share Holding		% of Share Holding	
	Equity Shares of Rs. 10 each Held By				
	(a) Share Holder - Dr.Devaiiah Pagidipati - No. of Shares (C.Y) 4,49,94,000, No. of Shares (P.Y) 0	4,49,94,000	99.9867%	(a) Share Holder - N. Satish Kumar - No. of Shares (C.Y) 60,27,652, No. of Shares (P.Y) 60,27,652	60,27,652
(b) Share Holder - Dr.Rudramma Devi Pagidipati - No of Shares (C.Y) 1,000 and No of Shares (P.Y) 0	1,000	0.0022%	(b) Share Holder - Al sried Company for Trade Limited - No. of Shares (C.Y) 34,06,769, No. of Shares (P.Y) 34,06,769	34,06,769	5.77%
(c) Share Holder - Mr.Brij Mohan	1,000	0.0022%	(c) Share	31,14,935	5.28%

Mandala - No. of Shares (C.Y) 1,000, No. of Shares (P.Y) 0.				Holder - Advait BV - No. of Shares (C.Y) 31,14,935, No. of Shares (P.Y) 43,23,267.		
(d) Share Holder - Mr.Rajasekhar Gopalajosyula- No. Of Shares (C.Y) 1,000, No of Shares (P.Y) 0.	1,000	0.0022%		(d) Share Holder - The Indiaman Fund Mauritius Limited - No. Of Shares (C.Y) 0, No of Shares (P.Y) 26,64,325.	-	0.00%
(e) Share Holder -Mr.Gottipati Venkata Rama Krishna Prasad - No. Of Shares 1,000, No of Shares (P.Y) 0.	1,000	0.0022%				
(f) Share Holder -Mr.Raghuram Garimella - No. Of Shares 1,000, No of Shares (P.Y) 0.	1,000	0.0022%				
(g) Share Holder - Mr.Komma Reddy Fatima Reddy - No. Of Shares (C.Y) 1,000, No of Shares (P.Y) 0.	1,000	0.0022%				-

Note: Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the Company. Thereafter the Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company. The earlier share capital has been transferred to Capital Redemption Reserve of the Company as on March 31st, 2020 as tabulated above. The earlier shareholders will be written off in full and shall stand permanently extinguished due to the same earlier Equity Shares transferred to Capital Redemption Reserve account, since the allotment towards New Share Holders pending in BSE & ROC, the same has been treated as share application Money for the Current Year FY 19-20.

NOTE NO. 12 : Other Equity (Reserves and Surplus) - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Other Equity		
	a) Capital reserve		
	As at the commencement of the year	-	
	Add: Additions during the year	-	
	Less: Utilised for during the year		
	Total	-	
	b) Capital Redemption reserve		
	As at the commencement of the year	-	
	Add: Additions during the year	87,62,83,410	
	Less: Transferred to Surplus	87,62,83,410	
	Total	-	
	c) Securities Premium Reserve		
	As at the commencement of the year	25,31,87,500	25,31,87,500
	Add: Additions during the year	-	-
	Less: Transferred to Capital Redemption Reserve	25,31,87,500	-
	Total	-	25,31,87,500
		-	25,31,87,500
	d) Surplus :		
	i) Opening Balance - Profit and Loss Account	(2,49,35,32,244)	(2,94,75,28,213)
	Less: Transfer from Capital Redemption Reserve	87,62,83,410	
	Add: Transfer from Profit & Loss Account	1,65,82,31,406	45,39,95,969
		4,09,82,572	(2,49,35,32,244)
	e) Share warrants forfeited premium :		
	As at the commencement of the year	3,31,63,000	3,31,63,000
	Add: Additions during the year	-	-
	Less: Transferred to Capital Redemption Reserve	3,31,63,000	-
		-	3,31,63,000
II	A Reserve specifically represented by earmarked investments	-	-
III	Negative balance of reserves and surplus account	-	-
	Add: VAT Subsidy Received	34,97,777	34,97,777
	Total Other Equity	4,44,80,349	(2,20,36,83,967)

Note: Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the Company. Thereafter the Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company. The earlier share capital has been transferred to Capital Redemption

Reserve of the Company as on March 31st, 2020 as tabulated above. The earlier shareholders will be written off in full and shall stand permanently extinguished due to the same earlier Equity Shares transferred to Capital Redemption Reserve account, and the earlier Share warrants forfeited Premium and Securities Premium Reserve were been transferred to Capital Redemption Reserve.

NOTE NO. 13 : Share Application Money Pending Allotment - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Share Application Money	-	30
	Add : Received	45,00,00,000	-
	Total Share Application Money	45,00,00,000	30
	Less : Share Application money equity shares allotted	-	-
	Total Share Application Money Pending Allotment	45,00,00,000	30

Details of Proposed Shareholder holding more than 5% shares of the company:	% of Share Holding	
Equity Shares of Rs. 10 each Held By		
(a) Share Holder - Dr.Devaiiah Pagidipati - No. of Shares (C.Y) 4,49,94,000, No. of Shares (P.Y) 0	4,49,94,000	99.9867%
(b) Share Holder - Dr.Rudramma Devi Pagidipati - No of Shares (C.Y) 1,000 and No of Shares (P.Y) 0	1,000	0.0022%
(c) Share Holder - Mr.Brij Mohan Mandala - No. of Shares (C.Y) 1,000, No. of Shares (P.Y) 0.	1,000	0.0022%
(d) Share Holder - Mr.Rajasekhar Gopalajosyula- No. Of Shares (C.Y) 1,000, No of Shares (P.Y) 0.	1,000	0.0022%
(e) Share Holder -Mr.Gottipati Venkata Rama Krishna Prasad - No. Of Shares 1,000, No of Shares (P.Y) 0.	1,000	0.0022%
(f) Share Holder -Mr.Raghuram Garimella - No. Of Shares 1,000, No of Shares (P.Y) 0.	1,000	0.0022%
(g) Share Holder - Mr.Komma Reddy Fatima Reddy - No. Of Shares (C.Y) 1,000, No of Shares (P.Y) 0.	1,000	0.0022%
Total	4,50,00,000	100%
Face Value @ Rs. 10/-	10	
Total Shares	45,00,00,000	

Note: Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the Company. Thereafter the Company was sold to Dr Devaiiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company. The earlier share capital has been transferred to Capital Redemption

Reserve and the Capital shown as share application money of the Company as on March 31st, 2020 as tabulated above as, since the allotment is pending in BSE & ROC.

NOTE NO. 14 : Long Term Borrowings - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Long Term borrowings		
	a) Secured Term Loans from Banks:		
	From banks:		
	Secured		
	Bank of India, Banjara Hills, - Loan for Flats	-	9,66,706
	IIFL- TATA ACE Vehicle Loan.	-	
	ICICI Bank - Vehicle Loan.	-	
	TERM LOANS :		
	Bank of India	-	97,07,02,353
	SBH	-	45,88,74,478
	UCO Bank	-	33,40,12,547
	Punjab National Bank	-	4,46,95,264
	b) Unsecured Loans from Directors / Others:		
	Unsecured Loan	7,87,55,000	4,67,84,610
	Total Long Term Borrowings	7,87,55,000	1,85,60,35,957

Note: As per NCLT order , IA No. 1038 / 2019 vide Separate Orders, dated on Nov 26th, 2019 as "A Direction be issued that upon completion of sale of the corporate debtor as a going concern all the claims or demands made by or liabilities or obligations owned or payable to any actual or potential creditors of the corporate debtor including Government dues whether direct or indirect, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed in relation to any period prior to the e-auction date or arising on account of the acquisition of control by the applicant over corporate debtor pursuant to e-auction, will be written off in full and shall stand permanently extinguished.

NOTE NO. 15 : Other Long Term Borrowings - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	a) Other long term liabilities		
	- Other Liabilities	1,50,000	5,81,50,000
	- Capex payable	1,00,300	4,10,571
	Total Other Long Term Borrowings	2,50,300	5,85,60,571

NOTE NO. 16 : Short Term Borrowings - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Short term borrowings		
	a) Loans repayable on demand - WC		
	Bank of India	-	68,47,88,211
	State Bank of Hyderabad	-	50,35,40,870
	UCO Bank	-	14,80,27,100
	Punjab National Bank	-	7,78,89,630
	b) on a/c of Letter of Credit :		
	Bank of India	-	
	State Bank of Hyderabad	-	
	UCO Bank	-	
	Punjab National Bank	-	
	c) Interest Accruals	-	40,20,24,492

	Total Short Term Borrowings	-	1,81,62,70,303
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Note: As per NCLT order, IA No. 1038 / 2019 vide Separate Orders, dated on Nov 26th, 2019 as "A Direction be issued that upon completion of sale of the corporate debtor as a going concern all the claims or demands made by or liabilities or obligations owned or payable to any actual or potential creditors of the corporate debtor including Government dues whether direct or indirect, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed in relation to any period prior to the e-auction date or arising on account of the acquisition of control by the applicant over corporate debtor pursuant to e-auction, will be written off in full and shall stand permanently extinguished.

NOTE NO. 17 : Trade Payables - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	a) Trade Payables	1,22,17,434	10,13,59,302
		-	
	Total Trade Payables	1,22,17,434	10,13,59,302

NOTE NO. 18 : Short Term Provisions - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	a) Provision for Employee Benefit		
	PF Payable	-	16,48,190
	ESIC Payable	-	61,126
	Salaries Payable	5,19,623	28,35,955
	b) Others		
	Statutory Liabilities	29,31,162	67,66,179
	Provision for Expenses	2,41,732	1,41,38,734
	Total Short Term Provisions	36,92,517	2,54,50,184

NOTE NO. 19 : Revenue from Operations - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Revenue from operations		
	(a) Sale of Products	-	
	(b) Sale of Products (Exports)	-	
	(c) Sale of Products (Exports Out to Out India)	-	
	(d) Sale of Services	2,09,06,869	2,59,34,662
	(e) Other Operating Revenues (IROAF Chennai)	-	
	Less: Excise & Customs Duties	-	
	Total Revenue from Operations	2,09,06,869	2,59,34,662

NOTE NO. 20 : Other Income - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	(a) Other non-operating income (net of expenses directly attributed to such income)	12,53,960	1,11,31,742
II	(b) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	-	
III	Prior Period Incomes, Provisions Written back, Prior Period Expenses	3,65,13,799	
IV	Liabilities Written Back - Earlier Years (Bank Liabilities)	3,30,79,35,697	
	Total Other Income	3,34,57,03,456	1,11,31,742

NOTE NO. 21 : Cost of Materials Consumed & Purchase of Stock in Trade - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	a) Material		
	Palm Stearin	-	-
	Mutton Tallow	-	-
	Rice Bran Oil	-	-
	Used Cooking Oil	-	-
	Fatty Acid Oil	-	-
	RBD Palm Oil	-	-
	Refined Palm Oil	-	-
	Cost of Material Consumed - Sub Total (A)	-	-
	b) Purchases - Stock in Trade	-2,44,42,854	
	Cost of Purchase Stock In Trade - Sub Total (B)	-2,44,42,854	-
	c) Chemicals & Consumables	1,68,770	
	Cost of Chemicals & Consumables - Sub Total (C)	1,68,770	-
	IROAF Contract Expenses	-	
	IROAF Contract Expenses - Sub Total (D)	-	-
	Total Cost Of Material Consumed (A+B+C+D)	-2,42,74,083	-

NOTE NO. 22 : Change in inventories & WIP - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Finished Goods		
	Finished goods at the beginning of the year	2,44,42,854	-
	Less : Finished goods at the end of the year	-	
	Sub Total (A)	2,44,42,854	-
	Work in Progress		
	Work in progress at the beginning of the year	2,14,10,908	
	Less: Work in progress at the ending of the year	2,14,10,908	
	Sub Total (B)	-	-
	Stock-in-Trade		
	Finished goods at the beginning of the year	-	
	Less : Finished goods at the end of the year	-	
	Sub Total (C)	-	-
	Total Other Income	2,44,42,854	-

NOTE NO. 23 : Employee Benefit Expenses - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	(a) Salaries & Wages	65,73,898	80,18,951
	(b) Contribution to Provident & Other Funds	-	59,869
	(c) Staff Welfare Expenses	1,25,436	90,802
		-	
	Total Employee Benefit Expenses	66,99,334	81,69,622

NOTE NO. 24 : Other Operating Expenses - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	(a) Consumption of Stores & Spares	-	
	(b) Power & Fuel	7,34,751	7,36,468

(c) Rent	4,37,316	3,98,514
(d) Repairs to Machinery	1,45,294	17,44,151
(e) Insurance	1,38,284	7,71,093
(f) Rates & Taxes (Excluding Income Tax)	18,643	75,199
(g) Bandwidth	1,10,17,417	1,65,12,455
(h) Other Mfg Expenses	-	-
(i) Factory Wages	-	-
(j) Shipping Charges	-	-
(k) Freight charges (Inward)	-	-
(l) Freight Charges - Outward & Insurance	-	-
(m) Other Non-Operative Expenses	-	-
(n) Loss on Assets (Assets Written Offs)	44,92,65,923	2,35,094
(o) Other Expenses	13,25,592	40,09,458
(p) Impairment on Assets	19,03,016	50,364
Total Other Operative Expenses	46,49,86,236	2,45,32,796

NOTE NO. 25 : Administrative Expenses - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	(a) Telephone, Postage and Others	1,69,101	2,22,253
	(b) Business Promotion Expenses	6,179	8,08,854
	(c) Travelling & Conveyance	89,285	2,44,117
	(d) Repairs and Maintenance	8,23,778	76,000
	(e) Printing & Stationery Expenses	77,074	39,236
	(f) Security Charges	12,54,740	1,94,040
	(g) Rent ,Rates & Taxes (excluding Income Tax)	8,38,706	8,73,313
	(h) Managerial Remuneration	-	-
	(i) Consultancy Charges	7,95,133	4,04,500
	(j) Gen Expenses	42,94,597	7,32,162
	(k) Director Sitting Fee / Board Meeting Expenses	-	75,576
	(l) Payment to Auditors:	-	-
	(i) As Auditor	20,000	-
	(ii) For Taxation Matters	-	-
	(iii) For Company Law Matters	9,96,697	-
	(m) Advertisements	16,43,738	4,36,744
	(n) Collection Expenses	19,410	-
	(o) Commission & Discounts	1,08,500	2,53,806
	(p) Accidental / Medical Charges	20,783	-
	(q) Prior Period Expenses	2,27,17,951	
	(r) Liquidation Expenses	2,73,08,182	
	(q) Written Offs	27,77,91,197	
	Total Administrative Expenses	33,89,75,051	43,60,601

NOTE NO. 26 : Finance Cost - (Rs./-)

S. No.	Particulars	31-Mar-20	31-Mar-19
I	(a) Interest Expenses :		
	- Interest on Cash Credit	-	
	- Interest on Car Loan / Term Loan	-	
	- Interest on LC & BG Discounts	-	

- LC & BG Opening Charges, Bank Charges & others	-	6,13,77,330
- CDR - Facilitation Charges	-	
(b) Other Borrowing costs / Financial Charges	10,50,493	
(c) Applicable net gain/loss on foreign currency translations & transactions	-	
Total Finance Cost	10,50,493	6,13,77,330

Note No 27. Notes and Other Explanatory information to financial statements for the year ended March 31st, 2020

1 . Corporate Information

Southern Online Bio Technologies Limited was originally incorporated as Southern Online Services Private Limited vide certificate of incorporation No.01-30463 dated November 9th, 1998 with Registrar of Companies, Hyderabad and subsequently converted into a Public Limited Company on January 4th, 2000. The name of the Company has been Changed to Southern Online Bio Technologies Limited on 31st March 2004 to reflect the new line of business in which the Company has ventured i.e. manufacture of Biodiesel. Currently the Company's shares are listed at BSE.

The Company is one of the first private sector ISPs to commence operations in the state of Andhra Pradesh. However, considering the opportunities in the field of manufacture and supply of alternative fuels to petroleum-based fuels, the promoters have decided to diversify into production and supply of biodiesel. The Company has established 40,000 liters per day capacity Biodiesel production unit from non-edible vegetables oils, fatty acids, animal fats / mutton tallow, etc for partial substitution or using as a blend in fossil diesel. This project is located at Samsthan Narayanpur (v), Nalgonda Dist, Telangana. The Second Bio diesel unit with a capacity of 250 TPD is located at APIIC, SEZ, Visakhapatnam, Andhra Pradesh.

2 . Basis of preparation

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A .Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, 2016 & 2017 and other relevant provisions of the Act.

Property, Plant and Equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment, mineral leaseholds and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The estimated useful lives of long-lived assets is applied as per the Schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditure to maintain the assets.

Employee Benefits- Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligation using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variable that will determine the ultimate cost of providing post-employment and other employee benefits.

B .Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognised in the profit or loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

C .Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment

D .Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The company amortizes computer software using the straight-line method over the period of 4 years.

I . Investments

Investments are classified into current and Long-term investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition is classified as Current Investments. All Other investments are classified as long-term investments.

Long Term Investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature. Current Investments are stated at lower of cost and fair value determined on the basis of each category of investments.

Name of the Party	Relationship
Southern Biofe Biofuels Pvt. Ltd	99.97 % Subsidiary
Marvel Bio Oil, FZE, Sharjah	100.00 % Subsidiary
EVaidya Private Limited	Director's Common
Sathwik Projects Private Limited	Dr. Pagidipati Devaiah (99%)

Transfer of subsidiaries - As a part of the NCLT Order, Liquidation Proceeds as ongoing going concern, the Company has transferred identified entities to the identified buyer its entire equity investment/ownership interest held in the those identified entities, at a fair market value on "as is where is" and "as is whatever is" basis.

Subsequently the Marvel Bio Oil, FZE, Sharjah unit has been closed which is been confirmed by the free trade authorities of Sharjah in the FY 18-19, the said investment treated as investment written off during the FY 19-20.

II . Inventories

Construction materials, raw materials, consumables, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Construction/Development work-in-progress related to project works is valued at lower of cost or net realizable value, where the outcome of the related project is estimated reliably. Cost includes cost of land, cost of materials, cost of borrowings and other related overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

III . Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

IV . Share Capital / Share Application Money

Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the

Company. Thereafter the Company was sold to Dr. Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr. Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr. Devaiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company.

Considering the same to implement the order by the Board of Directors in the Dec 12th, 2020 meeting held took note and given its approval for the Hon'ble NCLT, Hyderabad bench order dated Nov 26th, 2019 which says under clause 2 e (f) that the entire old paid up share capital

Extinguishment of old paid up equity share capital of Rs. 589932880/- divided in to 58993288 equity shares of Rs. 10/- each of the Company in compliance with the Hon'ble NCLT, Hyderabad bench Order dated 26 November, 2019.

The Board of Directors in its meeting held today took note and given its approval for the Hon'ble NCLT, Hyderabad bench Order dated 26 November, 2019 which says under clause 2 (e) (f) that the entire old paid up share capital of Rs. 589932880/- divided in to 58993288 equity shares of Rs. 10/- each of the Company be extinguished and those shareholders will become claimants from the liquidation proceeds u/s. 53 of the IBC Code. In place of the old paid up share capital, the Hon'ble NCLT has ordered to issue and allot new paid up equity share capital of Rs. 450000000/- divided in to 45000000 equity shares of Rs. 10/- each to the acquirer i.e. Dr Devaiah Pagidipati and his associates which shall constitute the 100% of the equity paid up share capital of the Company.

The Board of Directors passed the following resolution:

"RESOLVED THAT the board took note of the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and approved for extinguishment of entire old paid up share capital of Rs. 589932880/- of the Company and in place of such old paid up share capital, Hon'ble NCLT, Hyderabad bench directed to issue and allot new paid up equity share capital of Rs. 450000000/- divided in to 4,50,00,000 equity shares of Rs. 10/- each to the acquirer i.e. Dr Devaiah Pagidipati and his associates which will constitute 100% of the new paid up equity share capital of the Company.

RESOLVED FURTHER THAT the board be and is hereby authorize Dr Devaiah Pagidipati, Director and / or Mr Srikanth Reddy Kolli, Company Secretary of the Company to take necessary steps including filing of forms with ROC, RD and informing the Stock Exchanges, Depositories and other concerned authorities for giving effect to the said change in paid up share capital of the company in compliance with the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and to take necessary steps, acts, deeds and things required to give effect to the said Orders before all the concerned statutory authorities like ROC, RD, Stock Exchanges, Depositories, RTA, Income Tax department, GST authorities etc."

The Board of Directors approval for the said extinguishment of old capital and allotment of new capital shall be with retrospective effect from the date of the NCLT Order dated November 26, 2019 or with immediate effect as permitted by law.

Issue and allotment of new shares to the new shareholders of the Company in compliance with the Order passed by the Hon'ble NCLT, Hyderabad bench dated November 26, 2019.

The board was informed that Hon'ble NCLT, Hyderabad bench has passed an Order on November 26, 2019 directing the Company to allot shares to the following list of persons in the newly created share capital of Rs. 45,00,00,000/- divided in to Rs. 10/- each of the Company. After due deliberation on the subject, the board passed the following resolution:

"RESOLVED THAT pursuant to clause 3 and 20 of the Order passed by Hon'ble NCLT, Hyderabad bench dated November 26, 2019 in IA No. 1038/2019 and pursuant to the provisions of Section 62 of the Companies Act, 2013 and other applicable provision if any, the consent of the Board be accorded to allot 45000000 equity shares of Rs. 10/- each at par to the following:

SI No	Name and Address of the Allottee	Regd. Folio No	Share Certificate No	Distinctive No's.	No. of Equity Shares of Rs. 10/- each
1	Dr Devaiah Pagidipati H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	01	01	01 to 4,49,94,000	4,49,94,000
2	Dr P Rudrama Devi H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	02	02	4,49,94,001 to 4,49,95,000	1,000
3	Mr. Brijmohan Venkata Mandala 7-1-35-35/A, Flat No-405, Viswa Swapnika Apartment, ShyamKaram Road, Near KK Function Hall, Ameerpet, Hyderabad 500016	03	03	4,49,95,001 to 4,49,96,000	1,000
4	Mr. Rajasekhhar Gopalajosyula 1-2-607-27-6, ACT College Road, Opp. ESI Dispensary, Gandhinagar, Secunderabad, Hyderabad 500080	04	04	4,49,96,001 to 4,49,97,000	1,000
5	Mr. Gottipati Venkata Rama Krishna Prasad 1-283, Co-operative Bank, Poranki (rural), Poranki, Krishna Dist-521137 Andhra Pradesh	05	05	4,49,97,001 To 4,49,98,000	1,000
6	Mr. Raghuram Garimella 4-11-31, Himagiri Colony, Road No-3, Gandam Guda Village, Hydershahkote, Golkonda, Hyderabad, Telangana 500091	06	06	4,49,98,001 to 4,49,99,000	1,000
7	Mr. Fatima Reddy Kommareddi 3-4-63/19/92, Sriramanapuram, Church colony, Ramanthpur, Uppal, KV Rangareddy Dist. Telangana 500039	07	07	4,49,99,001 to 4,50,00,000	1,000

RESOLVED FURTHER THAT Share Certificates in respect of the shares allotted as aforesaid be issued to the said allottee(s) under the common seal of the company and under the signatures of any two directors and company secretary or authorized signatory of the company and further to arrange for dematerialization by following necessary procedural compliance.

RESOLVED FURTHER THAT the board be and is hereby authorize Dr Devaiah Pagidipati, Director and / or Mr Srikanth Reddy Kolli, Company Secretary of the Company to take necessary steps including filing of forms with ROC, RD and informing the Stock Exchanges, Depositories and other concerned authorities for giving effect to the said change in paid up share capital of the company in compliance with the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and to take necessary steps, acts, deeds and things required to give effect to the said Orders before all the concerned statutory authorities like ROC, RD, Stock Exchanges, Depositories, RTA, Income Tax department, GST authorities etc."

The Board of Directors approval for the said extinguishment of old capital and allotment of new capital shall be with retrospective effect from the date of the NCLT Order dated November 26, 2019 or with immediate effect as permitted by law.

Company applied to BSE as Corporate Actions, under the Equity Segment dated on Dec 4th, 2020 with Record Date as Dec 12th, 2020 of the Company for the reduction of Old Reduction of Share Capital of Southern Online Bio Technologies Ltd. (Scrip Code 532669) as per Insolvency & Bankruptcy Code 2016.

"As per the Order passed by Hon'ble NCLT under provision of Insolvency & Bankruptcy Code 2016 Reduction of Share Capital:

Pursuant of the Hon'ble NCLT Order dated November 26, 2019 in IA No. 1038/2019 in CP(IB) No. 343/7/HDB/2018, under clause 2 (e, f), 3, 19, 20, all the existing shares of 5,89,93,288 of Rs. 10/- each of the Company shall be extinguished and such existing shareholders will not be entitled to any shares of the Company and they may approach the then liquidator of the Company for making claims from liquidation proceeds u/s 53 of the Code."

Trading Members are requested to note that the equity shared of the Company are currently suspended from the trading.

The said allotment is pending during the FY 19-20, the same as considered as share application money.

Equity shares are classified as equity, the equity reconstructed as share application money to the tune of Rs. 45.00 Crs.

V . Employee Benefits

Employee benefits are charged to the statement of Profit and Loss for the year and for the projects under construction stage are capitalised as other direct cost in the Capital Work in Progress / Intangible asset under development.

Retirement benefits in form of Provident Fund are defined contribution scheme and the contribution are recognised, when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to respective funds.

Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and they are included in retained earnings in the statement of changes in equity in the balance sheet.

Compensated absences are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement as a result of experience adjustment and changes in actuarial assumptions are recognised in profit or loss.

VI . Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

The aggregate amount of Unabsorbed depreciation and loss brought forward in case of the company against whom an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset and liability is recognized for future consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the Financial Statements. Deferred Tax asset and liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the balance sheet date.

VII .Provisions , Contingent Liabilities and Contingent Assets

A .Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation arises. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims / Counter Claims under the contract entered into with Vendors and Contractors are recognised at the end of the contract or as agreed upon.

B .Contingent Liabilities

Contingent liability is disclosed in case of

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company where the probability of outflow of resources is not remote.

C .Contingent Assets

Contingent assets are not recognized but disclosed in the financial statements when as inflow of economic benefits is probable

VIII . Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The company collects GST, service tax, sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are

excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

Revenues Recognised During the Year (Term Loans and Cash Credit)

The Liquidator paid the total sum of Rs. 48,85,60,598.78 to the secured financial creditors out of the Liquidation proceeds of Rs. 51,70,00,000/-

Amounts were owing to the lending banks both in respect of Cash Credit and Term Loans the amounts paid by the Liquidator to the individual banks were apportioned to the respective loan amounts in the ratio of the amounts owing. After such apportionment, the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year.

The details are tabulated below:

				Amount in Rs.
Sl.No.	Banks	CC	Term Loan	Paid Amount
1	Bank of India – April 1 st , 2019	40,03,40,510.39	1,46,90,32,643.24	22,89,00,195.10
	Bank of India – Mar 31 st , 2020	40,03,40,510.39	1,46,90,32,643.24	
	Less : Paid amount	4,90,20,721.60	17,98,79,473.50	
	Balance :	35,13,19,788.79	1,28,91,53,169.74	
2	State Bank of India – April 1 st , 2019	54,25,35,431.54	54,27,25,713.03	15,16,52,816.18
	State Bank of India – Mar 31 st , 2020	54,25,35,431.54	54,27,25,713.03	
	Less : Paid amount	7,58,39,702.92	7,58,13,113.26	
	Balance :	46,66,95,728.62	46,69,12,599.77	
3	Punjab National Bank – April 1 st , 2019	8,10,47,825.93	5,29,96,739.16	1,31,79,758.00
	Punjab National Bank – Mar31 st , 2020	8,10,47,825.93	5,29,96,739.16	
	Less : Paid amount	79,68,922.00	52,10,836.00	
	Balance :	7,30,78,903.93	4,77,85,903.16	
4	UCO Bank - April 1 st , 2019	15,81,47,917.20	37,91,88,207.46	9,48,27,829.50
	UCO Bank - Mar 31 st , 2020	15,81,47,917.20	37,91,88,207.46	
	Less : Paid amount	2,79,09,576.59	6,69,18,252.91	
	Balance :	13,02,38,340.61	31,22,69,954.55	
	Grand Total	1,02,13,32,761.94	2,11,61,21,627.23	48,85,60,598.78
	Grand Total of Balance Portion - Rs. Cr	102.13	211.61	48.86
	Sale Consideration			51,70,00,000.00
	Other Legal, Valuation, Professional Fees, Liquidation Expenses			2,84,39,401.22

The Applicant further prayed a direction that he will be relieved of all the liabilities arising prior to e-auction date or arising on account of acquisition of control over the Corporate Debtor and liabilities to be treated as extinguished which accrued prior to e-auction date. Already Liquidator called for claims. The Liquidator should have received the claims and it is for the Liquidator to Look after the claims admitted by her which are to be dealt according to provisions of the Code. In the event if any claim which is stated to be due prior to e-auction, the Applicant is therefore not liable to pay the same and a direction can be given that Applicant is relieved of the liabilities that accrued prior to e-auction date.

As per the Section 41 (1) (a) if the Income Tax Act, 1961, any cessation of a liability in a year shall be brought to tax as the income of the year in which such cessation of liability occurs, where in such respect of such liability an allowance or deduction has been made in the assessment for any year in the past.

Accordingly, all such liabilities in respect of which the company had received the benefit of an allowance or deduction in the tax assessments in the past years and which liabilities are no longer payable by virtue

of the order of the Hon'ble NCLT, were recognized as the income of the year in the state of Profit & Loss Statement.

Apart from the above liabilities, the Unsecured Loans of the earlier directors, Other Loans were been were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) and the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year.

Earlier Equity, Securities Premium Reserves, Share warrants forfeited premium and Pending allocation of Share Application Money has been transferred to Capital Redemption Reserve and the same has been transferred to Reserves and surplus.

IX .Sale of Goods

Revenue from the sale of goods are recognized when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required the quantity and quality of goods has been determined, the price is considered fixed and generally title has passed.

X .Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established.

XI . Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the company, at exchange rates in effect at the transaction date.

At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the statement of financial position.

The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

XII . Earnings per Share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

XIII . Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments.

28 . Share Capital

The Equity Share Capital of the company as on Mar 31st, 2020 is **Zero "0"** compared to earlier previous year Mar 31st, 2019 as 5,89,93,288 Equity Shares of Rs. 10/-.

Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the Company. Thereafter the Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company.

Considering the same to implement the order by the Board of Directors in the Dec 12th, 2020 meeting held took note and given its approval for the Hon'ble NCLT, Hyderabad bench order dated Nov 26th, 2019 which says under clause 2 e (f) that the entire old paid up share capital

Extinguishment of old paid up equity share capital of Rs. 58,99,32,880/- divided in to 5,89,93,288 equity shares of Rs. 10/- each of the Company in compliance with the Hon'ble NCLT, Hyderabad bench Order dated 26 November, 2019.

The Board of Directors in its meeting held today took note and given its approval for the Hon'ble NCLT, Hyderabad bench Order dated 26 November, 2019 which says under clause 2 (e) (f) that the entire old paid up share capital of Rs. 58,99,32,880/- divided in to 5,89,93,288 equity shares of Rs. 10/- each of the Company be extinguished and those shareholders will become claimants from the liquidation proceeds u/s. 53 of the IBC Code. In place of the old paid up share capital, the Hon'ble NCLT has ordered to issue and allot new paid up equity share capital of Rs. 45,00,00,000/- divided in to 4,50,00,000 equity shares of Rs. 10/- each to the acquirer i.e. Dr Devaiah Pagidipati and his associates which shall constitute the 100% of the equity paid up share capital of the Company.

The Board of Directors passed the following resolution:

"RESOLVED THAT the board took note of the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and approved for extinguishment of entire old paid up share capital of Rs. 589932880/- of the Company and in place of such old paid up share capital, Hon'ble NCLT, Hyderabad bench directed to issue and allot new paid up equity share capital of Rs. 450000000/- divided in to 4,50,00,000 equity shares of Rs. 10/- each to the acquirer i.e. Dr Devaiah Pagidipati and his associates which will constitute 100% of the new paid up equity share capital of the Company.

RESOLVED FURTHER THAT the board be and is hereby authorize Dr Devaiah Pagidipati, Director and / or Mr Srikanth Reddy Kolli, Company Secretary of the Company to take necessary steps including filing of forms with ROC, RD and informing the Stock Exchanges, Depositories and other concerned authorities for giving effect to

the said change in paid up share capital of the company in compliance with the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and to take necessary steps, acts, deeds and things required to give effect to the said Orders before all the concerned statutory authorities like ROC, RD, Stock Exchanges, Depositories, RTA, Income Tax department, GST authorities etc."

The Board of Directors approval for the said extinguishment of old capital and allotment of new capital shall be with retrospective effect from the date of the NCLT Order dated November 26, 2019 or with immediate effect as permitted by law.

Issue and allotment of new shares to the new shareholders of the Company in compliance with the Order passed by the Hon'ble NCLT, Hyderabad bench dated November 26, 2019.

The board was informed that Hon'ble NCLT, Hyderabad bench has passed an Order on November 26, 2019 directing the Company to allot shares to the following list of persons in the newly created share capital of Rs. 45,00,00,000/- divided in to Rs. 10/- each of the Company. After due deliberation on the subject, the board passed the following resolution:

"RESOLVED THAT pursuant to clause 3 and 20 of the Order passed by Hon'ble NCLT, Hyderabad bench dated November 26, 2019 in IA No. 1038/2019 and pursuant to the provisions of Section 62 of the Companies Act, 2013 and other applicable provision if any, the consent of the Board be accorded to allot 45000000 equity shares of Rs. 10/- each at par to the following:

SI No	Name and Address of the Allottee	Regd. Folio No	Share Certificate No	Distinctive No's.	No. of Equity Shares of Rs. 10/- each
1	Dr Devaiah Pagidipati H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	01	01	01 to 4,49,94,000	4,49,94,000
2	Dr P Rudrama Devi H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	02	02	4,49,94,001 to 4,49,95,000	1,000
3	Mr. Brijmohan Venkata Mandala 7-1-35-35/A, Flat No-405, Viswa Swapnika Apartment, ShyamKaram Road, Near KK Function Hall, Ameerpet, Hyderabad 500016	03	03	4,49,95,001 to 4,49,96,000	1,000
4	Mr. Rajasekhara Gopalajoyula 1-2-607-27-6, ACT College Road, Opp. ESI Dispensary, Gandhinagar, Secunderabad, Hyderabad 500080	04	04	4,49,96,001 to 4,49,97,000	1,000
5	Mr. Gottipati Venkata Rama Krishna Prasad 1-283, Co-operative Bank, Poranki (rural), Poranki, Krishna Dist-521137 Andhra Pradesh	05	05	4,49,97,001 To 4,49,98,000	1,000
6	Mr. Raghuram Garimella 4-11-31, Himagiri Colony, Road No-3, Gandam Guda Village, Hydershahkote, Golkonda, Hyderabad, Telangana 500091	06	06	4,49,98,001 to 4,49,99,000	1,000
7	Mr. Fatima Reddy Kommareddi 3-4-63/19/92, Sriramanapuram, Church colony, Ramanthpur, Uppal, KV Rangareddy Dist. Telangana 500039	07	07	4,49,99,001 to 4,50,00,000	1,000

RESOLVED FURTHER THAT Share Certificates in respect of the shares allotted as aforesaid be issued to the said allottee(s) under the common seal of the company and under the signatures of any two directors and company secretary or authorized signatory of the company and further to arrange for dematerialization by following necessary procedural compliance.

RESOLVED FURTHER THAT the board be and is hereby authorize Dr Devaiah Pagidipati, Director and / or Mr Srikanth Reddy Kolli, Company Secretary of the Company to take necessary steps including filing of forms with ROC, RD and informing the Stock Exchanges, Depositories and other concerned authorities for giving effect to the said change in paid up share capital of the company in compliance with the Order of Hon'ble NCLT, Hyderabad bench dated 26 November, 2019 and to take necessary steps, acts, deeds and things required to give effect to the said Orders before all the concerned statutory authorities like ROC, RD, Stock Exchanges, Depositories, RTA, Income Tax department, GST authorities etc."

The Board of Directors approval for the said extinguishment of old capital and allotment of new capital shall be with retrospective effect from the date of the NCLT Order dated November 26, 2019 or with immediate effect as permitted by law.

Company applied to BSE as Corporate Actions, under the Equity Segment dated on Dec 4th, 2020 with Record Date as Dec 12th, 2020 of the Company for the reduction of Old Reduction of Share Capital of Southern Online Bio Technologies Ltd. (Scrip Code 532669) as per Insolvency & Bankruptcy Code 2016.

"As per the Order passed by Hon'ble NCLT under provision of Insolvency & Bankruptcy Code 2016 Reduction of Share Capital:

Pursuant of the Hon'ble NCLT Order dated November 26, 2019 in IA No. 1038/2019 in CP(IB) No. 343/7/HDB/2018, under clause 2 (e, f), 3, 19, 20, all the existing shares of 5,89,93,288 of Rs. 10/- each of the Company shall be extinguished and such existing shareholders will not be entitled to any shares of the Company and they may approach the then liquidator of the Company for making claims from liquidation proceeds u/s 53 of the Code."

Trading Members are requested to note that the equity shared of the Company are currently suspended from the trading.

The said allotment is pending during the FY 19-20, the same as considered as share application money.

Equity shares are classified as equity, the equity reconstructed as share application money to the tune of Rs. 45.00 Crs.

29 . Secured Loans

The Company's Bio Diesel Divisions has working Capital facilities (inclusive of short term borrowings & LC devolvement's) to the tune of Rs. 0.00Lacs.

30 . Investments

S. No.	Particulars	31-Mar-20	31-Mar-19
I	Non- Current Investments. 1) Investment in Subsidiaries Equity Shares: a) Southern Biofe Bio Fuels Pvt Ltd - 99.97% b) Marvel Bio Oil, FZE, Sharjah	48,34,245 -	48,34,245 11,66,863
	Total Non - Current Investments	48,34,245	60,01,108

No other investments were made by the company, The Marvel Bio Oil FZE Sharjah, UAE, which was another subsidiary of the Company has been closed in the FY 2018-19 due to severe funds constraints, the same has been accounted for the as investment written off during the year FY 19-20.

31 . Segment Reporting

The activities of the Company can be broadly classified into two segments, viz., Internet Service Provider (ISP), Manufacturing of Bio Diesel, Stock in Trade of Used Cooking Oil and Other Contracts.

The ISP division provides Internet Bandwidth to the Corporate Clients, Educational Institutions, Cyber Cafes, & Individual etc.,

The Bio Diesel division manufactures the Bio Diesel.

Income and direct expenses relation to segments are categorized based on items that are individually identifiable to that segment, while the remainder of cost is apportioned on appropriate basis. Certain expenses which are not specifically allocable to individual segments as the relevant services are used interchangeably. The company therefore believes that it is not practical to provide segment disclosures relating to such expenses. Accordingly, they are separately disclosed as unallowable and directly charged against total income.

In other segment shown in the table given below includes:-

- a) The income and expenditure relating to 30 TPD capacity bio diesel unit at Tondiarpet, Chennai.
- b) The income and expenditure relating to Cross country trading of Used Cooking Oil.
- c) The income and expenditure relating to local Stock in Trade of Rice Bran Oil & RBD Palm Oil.

The assets of the company are used interchangeably between segments, and the management believes that it is not practical to provide segment disclosure relating to total assets and liabilities.

Business Segments:

(Rs. In Lacs)

Statement of Profit and loss for the year ended 31.03.2020	ISP		BIO DIESEL		OTHERS		TOTAL	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Net Sales / Revenue from Operations (Net of GST)	209.07	259.35	-	-	-	-	209.07	640.38
Identifiable Operating Expenses	125.25	196.94	4,524.62	48.15	-	0.23	4,649.86	10,560.49
Allocated Expenses	241.04	97.70	3,769.48	1,015.41	426.33	1.73	4,436.85	1,165.72
Segmental Operating Income	-157.22	-35.29	-8,294.10	-1,063.56	-426.33	-1.96	-8,877.64	-11,085.83
Unallocated Expenses	-	-	-	-	-	-	-	-
Profit for the year before Interest	-157.22	-35.29	-8,294.10	-1,063.56	-426.33	-1.96	-8,877.64	-11,085.83
Finance Cost	1.18	1.24	8.62	612.53	0.70	-	613.77	2,307.64
Other income	-	1.33	-	109.98	-	-	111.32	290.13
Net profit before taxes and prior period items	-158.40	-35.20	-8,302.73	-1,566.11	-427.02	-1.96	-9,380.09	-13,103.34
Provision for taxation	-	-	7,984.89	6,143.24	-	-	6,143.24	288.52
Prior Period Items	67.06	-	32,797.29	-	592.68	-	-	-
Net profit after taxes and before exceptional items	-91.34	-35.20	16,509.68	-7,709.35	165.66	-1.96	-15,523.33	-13,391.86
Exceptional items	-	-	-	-	-	-	-	-
Profit after tax and exceptional items	-91.34	-35.20	16,509.68	-7,709.35	165.66	-1.96	15,523.33	13,391.86

Geographical segments**(Rs. In Lacs)**

Revenues	As at 31.3.2020	As at 31.3.2019
India	209.07	259.35
Outside India	-	-
Total	209.07	259.35

32 . Deferred Tax Asset / Liability

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax asset and liability is recognized for future consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the Financial Statements. Deferred Tax asset and liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the balance sheet date.

During the current year, the company recognized the deferred tax liability for an amount of Rs. 7.93 Crores and differential depreciation of the current financial year 2019-20.

The earlier DTA computed wrongly the same has been written off during the same, the detailed calculation has been tabulated.

Computation of Deferred Tax Liability/(Asset) for the quarter ended 31.03.2020	
Particulars	Amount Rs.
Gross Deferred Tax Liability:	
WDV as per SLM (Companies' Act) as on 31.03.2020	51,70,31,571
WDV as per WDV (Income Tax Act) as on 31.03.2020	41,96,74,371
Temporary Timing Difference as on 31.03.2020	9,73,57,200
Deferred Tax Rate – 25%	
Education cess: 4% of Income tax plus surcharge	26.00%
Deferred Tax Liability	
March 31st, 2019 - Opening	2,88,84,956
During the year written Offs	-
Net Deferred Tax Liability	2,88,84,956
Closing Balance	2,53,12,872
Total	-35,72,084
Deferred Tax Asset	
March 31st, 2019 – Opening	80,20,60,591
During the year written Offs	-80,20,60,591
Net Deferred Tax Asset	-
During the Year Deferred Tax Asset	
Total	-
Charge to P & L Account Deferred Tax Expenses during the year	79,84,88,507

33 . Foreign Exchange Earnings**(Rupees.)**

Particulars.	As at 31.03.2020	As at 31.3.2019
Export of Goods	-	-

34 . Foreign Exchange Outflow

(Rupees.)

Particulars.	As at 31.03.2020	As at31.3.2019
For Purchases	-	-
For Investment in Subsidiary	-	-
For Subsidiary maintenance	-	-

35 . Director's Remuneration

The Managerial remuneration paid or provided in accordance with Schedule v of the Companies Act, 2013 to the Directors is as follows:

(Rupees.)

Particulars.	As at 31.03.2020	As at31.3.2019
Salary & Allowances (Whole Time Director)	-	-

36 . Remuneration to Auditors

(Rupees.)

Particulars.	As at 31.03.2020	As at31.3.2019
Audit Fees	1,50,000/-	1,50,000/-

37 . Details of Related Party Transaction

The company has entered into the following related party transactions as on 31st, March, 2020 such parties and transactions are identified as per Accounting Standard 18

The following are the list of related parties:

Name of the Party	Relationship
Southern Biofe Biofuels Pvt. Ltd	99.97 % Subsidiary
Marvel Bio Oil, FZE, Sharjah	100.00 % Subsidiary
EVaidya Private Limited	Related party – related to director
Sathwik Projects Private Limited	Related party – related to director

Southern Online Bio Technologies Limited's principal related parties consist of its own subsidiaries, Associate, Joint Venture and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

Transactions with related parties are as follows:

Related Party Disclosures:			
A) List of Related Parties:			
Name of the Related Party	Country	Relationship with the entity	
Southern Biofe Biofuels Private Limited	India	Subsidiary	
E Vaidya Private Limited	India	Related party – related to director	
Sathwik Projects Private Limited	India	Related party – related to director	
B) Related party transactions for the period ended March 31, 2020:			In INR
Southern Online Bio Technologies Limited	Transactions during the period 1.4.2019 to 31.03.2020		
Nature of Transactions/ Name of the Related Party	Southern Biofe Biofuels Private Limited	E Vaidya Private Limited	Sathwik Projects Private Limited
Sale of Services	Nil	Nil	Nil

(Cost of Services)	(Nil)	(Nil)	Rs (96,26) Lakhs
Loans and Advances	Nil	Nil	Nil
Interest income / (expenses)	Nil	Nil	Nil
Reimbursement of expenses	Nil	Nil	Nil
Investments	48,34,245	Nil	Nil
Balance outstanding	48,34,245	Nil	Rs (96,26) Lakhs

Southern Online Bio Technologies Limited	Transactions during the period 1.4.2019 to 31.03.2020		
Nature of Transactions/ Name of the Related Party	Sathwik Projects Private Limited (Dr. Pagidipati Devaiah having shareholding 99% of the stake)		
Professional Services Received	Rs (96.26) Lakhs		
Balance outstanding (Payable)	Rs (96. 26) Lakhs		

C) List of Transactions with Directors & Key Managerial Personnel (KMP)				
Remuneration to Directors & KMPs	In INR			
Nature of Transactions/ Name of the Related Party	Salary and allowances	Contributions to provident and other funds	Perquisites and incentives	Total remuneration
Dr Devaiah Pagidipati	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

Remuneration to Non-executive Directors	In INR			
Nature of Transactions/ Name of the Related Party	Sitting fee			
Mr Brijmohan Venkata Mandala	Nil			
Mr Madana Mohana Rao Yalamanchili	Nil			
Total	Nil			

D) Unsecured Loan from Directors	In INR	
Dr Devaiah Pagidipati	6,70,00,000	
Total	6,70,00,000	

38 .Earning Per Share

The earning considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

(Rupees)

Particulars	As on 31.03.2020	As on 31.03.2019
Profit available for the equity share holders (Rs)	1,65,82,31,406	45,39,95,969
No. of shares outstanding for EPS-Basis	-	5,89,93,288
No. of shares outstanding of EPS-Diluted	-	5,89,93,288
Basic	-	7.70
Diluted	-	7.70

39 .Since the said balance sheet is to implement the NCLT order, as per the Confirmation of balances obtained as at March 31, 2020 banks balances, bank borrowings and for various trade receivables, trade payables, though the confirmation and also, the management has requested for the confirmation of balances. Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.

40 . Bank Guarantees:

The Company has outstanding Bank guarantees and counter guarantees of Rs.20,00,000/- as on 31.03.2020, in respect of the guarantees given by the banks in favor of The President of India, Government of India, acting through the Telegraph Authority.

S.No	BG No	In-favor	Opening Date	Maturity Date	Amount
1.	8639IFIBG080013	President of India, Dy. Controller of Communications Accounts (L.F) Government of India	Oct7 th , 2020	Oct 7 th , 2021	10,00,000
2.	8639IPEBG140005	President of India, Dy. Controller of Communications Accounts (L.F) Government of India	Jan 3 rd , 2020	Jan 15 th , 2021	10,00,000

41 . Unsecured Loan

Dr Devaiah Pagidipati requested the NCLT Honourable Court (Hyderabad) with the reliefs prayed for separately requested the Tribunal to allow him to pay the bid amount to the Liquidator i.e., Rs. 45.00 Crores against which new Equity shall be created by applicant and the balance amount of Rs. 6.7 Crores in the form of Unsecured debt. The liquidator is directed to look into the request of Applicant and accordingly permit the Applicant to Pay the bid amounts in the form suggest by the Applicant if permissible. The applicant further prays that a direction be given that he will be entitle to all rights, title and interest in the whole and every part of the Corporate Debtor as soon as payment of balance of bid amount, since applicant purchased the unit as ingoing concern and naturally applicant will be entitle to the corporate debtor as a right full owner on payment of balance of bid amount. There is no need to give separate direction because it is very much implied that when the applicant purchased the company as ongoing concern, he will be the owner and entitle to all the benefits as owner of the company.

42 . Details of Security:

No Securities offered

43 . NCLT Order:

The Company would like to bring to your notice and enlighten the subject as per the NCLT Order's Passed as follows:

1. The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Southern Online Bio Technologies Limited ("the Company") on Oct 5th, 2018 (CP(IB) 343/07 HDB / 2018) and appointed G. Kalpana on Oct 5th, 2018 to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extent provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. G. Kalpana has appointed as Resolution professional on Oct 5th, 2018 As approved by the Committed of Creditors. Insolvency and Bankruptcy process under IBC code has started on Oct 5th, 2018 which is time bound by 180 days from the date of commencement of Insolvency process. The Resolution professional and Committee of the Creditors has conducted many meetings for invitation of expression of interest by resolution applicants but no resolution application received by Resolution professional. Further Committee of creditors directed the Resolution professional to apply for extension of time with Adjudicating authority as allowed by IBC code.
3. Adjudicating Authority has further extended 90 days towards Insolvency and resolution process. However no resolution plans has received by the company and mandatory time limit of Insolvency

and bankruptcy process has completed on July 16th, 2019. The resolution professional has filed the Liquidation application with Adjudicating authority and Adjudicating authority has passed the liquidation order on and appointed G Kalpana (Resolution professional) as Liquidator under IBC code.

4. During the Liquidation process, in the 14th Committee of Creditors resolved to liquidate the Corporate Debtor on July 16th, 2019 Tribunal passed an order preferred by the Applicant for liquidating the Corporate Debtor (Southern Online Bio Technologies Limited).
5. The liquidator has placed the same before adjudicating authority and Adjudicating authority has passed the liquidation completion order on the basis of selling the company on going concern basis and the following paragraphs are mentioned in Honorable Adjudicating authority order (NCLT, Hyderabad Bench – 1):
6. The First advertisement given in Financial Express, Nava Telangana and Andhra Prabha Newspapers on July 19th, 2019 inviting claims from the stakeholders as on the Liquidation Commencement date on or before Aug 14th, 2019.
7. On Aug 29th, 2019 the Liquidator advised to the Consultation Committee wherein after due deliberations to sell the Corporate debtor as a “Going Concern”.
8. Accordingly the sale Notice has been issued on Sep 5th, 2019 as well in News Media stating that the date of auction being on Sep 20th, 2019, however, No bids are received for the sale notice issued for Corporate Debtor as a going Concern or for individual business units of the Corporate Debtor.
9. After due deliberations in the second stakeholders consultation committee meeting held on Sep 23rd, 2019, the sale process and reserve price were fixed and notice issued on Sep 29th, 2019 in news media fixed the auction date was Oct 10th, 2019 and last date for submission of EMD amount was fixed as Oct 7th, 2019. But unfortunately the Liquidator haven’t received any EMD amount for the sale of Corporate Debtor as a Going Concern and the said event treated as Cancelled.
10. This Tribunal vide order dated 5th October, 2018 admitted the Company Petition CP (1B) NO.343/7/HDB/2018 filed by Financial Creditor/ Respondent herein and Corporate Insolvency Resolution Process against the Corporate Debtor M/S. Southern Online Bio Technologies Limited commenced with effect from Oct 5th, 2018 by appointing the Applicant herein as Interim Resolution Professional who was later confirmed as Resolution Professional. When no resolution plan came forth, the Committee of Creditors in its 14th meeting resolved to liquidate the Corporate Debtor. Following which, this Tribunal on July 16th, 2019 passed an order in IA No.565/2019 preferred by the Applicant for liquidating the Corporate Debtor Company by appointing the Applicant herein as Liquidator of the Corporate Debtor M/S Southern Online Bio Technologies Limited.

The Company would like to bring to your notice and enlighten the subject as per the NCLT Order’s Passed as follows:

1. IA No. 1038 / 2019 vide Separate Orders, dated on Nov 26th, 2019
 2. IA No. 296/2020 Order Dated on June 22nd, 2020
11. The Applicant submits that on assuming charge of Liquidator, she issued public announcement in Financial Express, Nava Telangana and Andhra Prabha News Papers on July 19th, 2019 inviting claims from the stakeholders as on the Liquidation commencement date on or before Aug 14th, 2019.

12. After collating and verification of the claims, list of stakeholders was filed before this Tribunal as per regulation 31 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and further as required under Regulation 31(2) read with regulation 12(3) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 a public announcement has been made by the Liquidator intimating the public about the filing of the list of stakeholders to this Tribunal. The admission / rejection of the claims was also communicated to all the stakeholders.
13. The Applicant further submits that the stakeholders consultation committee was formed and conducted its 1st meeting on Aug 29th, 2019 wherein after due deliberations the Liquidator was advised to sell the Corporate Debtor as a going concern or to sell the individual business Units of the Corporate Debtor as a going concern. The copy of the minutes of the meeting has been filed in this Tribunal.
14. Accordingly the sale notice was issued on Sept 5th , 2019 in Sakshi and Business Line newspapers and the date of auction being Sep 20th , 2019. However, no bids are received for the sale notice issued for Corporate Debtor as a going concern or for individual business units of the Corporate Debtor.
15. After due deliberations in the second stakeholders consultation committee meeting held on Sep 23rd, 2019, sale process and reserve price were fixed. The stakeholders resolved to sell the Corporate Debtor as a going concern and accordingly Liquidator issued the sale notice on Sep 29th , 2019 in Financial Express, Namaste Telangana and Andhra Prabha News Papers and the date of auction was fixed on Oct 10th, 2019 and the last date for submission of EMD amount was fixed as Oct 7th, 2019.
16. The Applicant states since the Liquidator did not receive any EMD amount for the sale of Corporate Debtor as a going concern the e-auction scheduled on Oct 10th, 2019 was cancelled and Liquidator held 3rd stakeholders consultation committee meeting on Oct 11th , 2019. The members of the committee came to a consensus to reduce the reserve price by 5% of the previous action price and fixed the price at Rs. 51.70 crores and issued third sale notice on Oct 13th , 2019 in Business Standard, Namaste Telangana and Andhra Prabha News Papers, and fixed the E-auction date as Oct 22nd, 2019.
17. The Applicant avers, one individual applicant by name Dr.Devaiiah Pagidipati deposited EMD amount of Rs. 5.17 Crs in the form of Demand Draft and participated in the E-auction held on Oct 22nd, 2019.
18. In the 4th Stakeholders Consultation Committee Meeting on Oct 23rd , 2019 Dr.Devaiiah Pagidipati was declared as successful bidder who handed over the Demand Draft to Secured Financial Creditor, Bank of India / Petitioner and requested to deposit in the Liquidation Account.
19. Pursuant to e-auction, Letter of Intent was issued on Oct 29th, 2019 to the successful bidder who accepted the same.
20. The Applicant / Liquidator further submits that a sum of Rs. 41.53 Crores, Rs.2 Crores and Rs. 3 Crores were paid on Nov 28th , 2019, 29th November, 2019 and on Dec 4th, 2019 respectively towards sale consideration and paid an interest amount of Rs.55,890/- (Rs.6,575/- for one day and Rs.49,315/- for 5 days) towards delayed payment by the successful bidder.
21. In the 5th Stakeholders Consultation Committee Meeting convened on Nov 30th, 2019, the Liquidator informed the members about receipt of sale proceeds and the order of priority for its distribution as stipulated under Section 53 of IBC, 2016. Further the Liquidator apprised the members about receipt of Rs. 17,54,870/- as refund from the Income Tax Department for the AY 2017-18 that forms part of the Liquidation Proceeds.

22. It is further submitted that the Liquidator after payment of CIRP costs and Liquidation cost and the Liquidator remuneration, distributed the balance sale consideration as per the order of priority as stipulated in Section 53 of IBC, 2016 and also received confirmation from the Stakeholders towards receipt the same.
23. The Liquidator convened 6th Stakeholders Consultation Committee Meeting on Dec 18th, 2019 and informed the members about the issuance of sale certificate to the Successful Bidder and about preferring an Application u/s 66 of the IBC, 2016 to this Tribunal against Ex-directors of the company as per the forensic audit findings.
24. The Liquidator has issued Sale Certificate to the Successful Bidder on Jan 2nd, 2020. The Applicant submits that since the Corporate Debtor is sold as a going concern in Liquidation, this Application is filed requesting the Tribunal for closure of the Liquidation Process of the Corporate Debtor under Regulation 45(3)(a) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
25. Tribunal (We) heard the Liquidator and perused the application filed by the Liquidator. She (G. Kalpana – Liquidator) has filed necessary documents along with the application. The Final report is filed vide memo dated Feb 19th, 2020. This IA is filed under Regulation 45 (3) of the Insolvency and Bankruptcy Code, 2016 praying the Adjudicating Authority to order for closure of the liquidation process of the Corporate Debtor Company as liquidation process is complete. The said provision reads as under:

"Regulation 45: Final report prior to dissolution.

(3) The liquidator shall submit an application along with the final report and the compliance certificate inform-I-I to the Adjudicating Authority for —

(a) Closure or the liquidation process of_ the corporate debtor where the corporate debtor is sold as a going concern; or

(b) For the dissolution of the corporate debtor, in cases not covered under clause (a)".

26. **"Where the assets of the Corporate Debtor have been completely liquidated, the Liquidator shall make an application to the Adjudicating Authority for the dissolution of such Corporate Debtor".**
27. The Liquidator would contend, pursuant to public announcement for e-auction carried out twice, none came forward for the bidding process. It is only in the third e-auction held on Oct 22nd 2019, Dr. Devaiah Pagidipati participated in the e-auction and was declared as successful bidder. On-going through the facts aforementioned and the material placed along with the Application, it is evident that the assets of Corporate Debtor were sold to Dr. Devaiah Pagidipati for Rs.51.7 crores as against the average valuation of the Liquidation Estate of the Corporate Debtor as per valuers' report which is @ Rs. 34.23 crores only. The amount was transferred in three instalments i.e. Nov 28th, 2019, Nov 29th, 2019 and Dec 4th, 2019. It is seen from Form-H that the amount of Rs. 51.7 crores plus interest for delayed payment realized from the sale of Liquidation Estate was distributed among the stakeholders as per Section 52 or 53 of the Code. The details of distribution are at page 54 of the Final Report. The successful bidder previously preferred an Application bearing IA No. 1038 of 2019 seeking certain reliefs. This Tribunal vide order dated Nov 26th, 2019 disposed of the Application with certain directions and (or) granting reliefs by citing Regulation 32 of Liquidation Process Regulations which contemplates sale of assets of Corporate Debtor as a going concern, facilitating the successful bidder to purchase the Corporate Debtor/ M/S Southern Online Bio Technologies Limited as a going concern. Further by seeing the final report, it is evident that the Liquidator has sold the Corporate Debtor as a going concern as such it is a fit case for closure of Liquidation process.

28. As a sequel to the above, we hereby order closure of the Liquidation proceedings against the Corporate Debtor viz. **M/S SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED** from the date of this Order, in terms of Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Consequently, the Liquidator stands relieved.
29. The Liquidator is directed to send the copy of this Order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad and hand over all the books and files of the Corporate Debtor **M/S SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED** which are in possession of the Liquidator to the successful bidder.
30. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
31. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
32. In terms of the above, IA No. 196 of 2020 filed by the Liquidator appointed for **M/S SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED** (Corporate Applicant) for closure of Liquidation Process of the Company under Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 stands disposed of accordingly.
33. The applicant/ successful bidder has, inter alia, prayed that he may be permitted to transfer the entire bid amount to the corporate debtor/ liquidator, viz. Rs.45 crore in the form of equity and the balance amount of Rs.6.70 Crores in the form of unsecured debt.
34. **A direction be issued that after payment of the entire bid amount, the applicant gets all the rights, title and interest in the whole and every part of the corporate debtor including contracts free from security interest, encumbrance, claim, counter claim, or any demur in the applicant and the sale proceeds shall be distributed in accordance with section 53 of the IBC. a direction be issued that upon completion of sale of the corporate debtor as a going concern all the claims or demands made by or liabilities or obligations owned or payable to any actual or potential creditors of the corporate debtor including Government dues whether direct or indirect, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, secured or unsecured, disputed or undisputed in relation to any period prior to the e-auction date or arising on account of the acquisition of control by the applicant over corporate debtor pursuant to e-auction, will be written off in full and shall stand permanently extinguished.**
35. **A direction be issued that the cases pending/ decreed against the corporate debtor by any court and/ or tribunal and/ or any quasi-judicial authority will not be enforced against the applicant or the corporate debtor.**
36. **A direction be issued that all the existing shares of the corporate debtor shall be extinguished and existing shareholders will become claimants from liquidation proceeds u/s 53 of the Code.**
37. **A direction be issued that upon payment of the entire bid amount, the corporate debtor, without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs.10/each to the applicant and his associates, which shall constitute 100% of the equity of the corporate debtor, and such allotment shall be deemed to have been made in accordance with applicable laws.**
38. **A direction be issued permitting the applicant to get the shares listed as per the prevailing SEBI guidelines and that the corporate debtor be permitted to bring the public shareholding to within**

12 months thereafter, in light of Rule 19A(2) of the Securities Contracts (Regulation) Rules, 1957, as amended.

39. **A direction be issued that to show the status of the corporate debtor in the ROC records as 'active' from the status of 'liquidation' and that the listing rights of the corporate debtor be restored and the shares of the corporate debtor allotted pursuant to liquidation process shall get listed on the relevant stock exchanges.**
40. **A direction be issued that upon transfer of the entire bid amount, the Board of Directors of the corporate debtor be re-constituted as per the Companies Act and the SEBI guidelines and that the following individuals be permitted to act as Directors of the corporate debtor duly appointed under the provisions of the Companies Act, 2013, and direct the Registrar of Companies to do all such acts, deeds and things that are necessary to appoint the following individuals as directors of the corporate debtor, who are individuals recommended by the applicant, in order to enable the company to file relevant returns required by applicable law:**

Name of the proposed Director's

✓ S Shri Devaiah Pagidipati	DIN	:	05147621
✓ Mr.BrijMohan Venkata Mandala	DIN	:	00295323
✓ Mr.Yalamanchili Rao Madana Mohana	DIN	:	00745820

41. **A direction be issued that all subsisting consents, licences, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the corporate debtor or to which the corporate debtor is entitled to shall, notwithstanding any provision to the contrary in their terms, be deemed to continue without disruption for the benefit of the corporate debtor and all additional licences, registrations and consents to operate required by the corporate debtor be made available immediately on payment of the entire bid amount.**
42. **A direction be issued that the corporate debtor shall have a right to review and terminate any contract that was entered into prior to the date of liquidation order.**
43. **A direction be issued that all the benefits availed by the corporate debtor under Special Economic Zone Act, 2005, will be continued to the applicant.**
44. **A direction be issued exempting the corporate debtor from payment of registration fee/ stamp duty and other local levies, taxes, duties with respect to transfer of the bid amount.**
45. **Passed an order to provide the applicant 100% exemption on stamp duty and registration fee and all local taxes and levies imposed by the appropriate Governments, applicable in respect of any transaction required to be undertaken pursuant to the e-auction, and taxes thereon.**
46. **A direction be issued that upon completion of sale of the corporate debtor as a whole as a going concern, all the assets specified in Annexure-5 of the complete e-auction process document dated Oct 13th, 2019 shall continue to be the assets of the corporate debtor, towards which the applicant has made payment.**
47. **As transpired during the course of hearing of the application on Nov 20th, 2019 the PCS has furnished the names of seven shareholders vide Memo dated Nov 21st, 2019. The names of shareholders read as under:**

S No.	Name	Number of shares to be allotted.
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1.	Devaiah Pagidipati	4,49,94,000
2.	Rudamma Devi Pagidipati	1,000
3.	Brij Mohan Mandala	1,000
4.	Rajasekhar Gopalajosyula	1,000
5.	Gottipati Venkata Rama Krishna Prasad	1,000
6.	Raghuram Garimella	1,000
7.	Komma Reddy Fatima Reddy	1,000

48. The respondent/ Liquidator has filed Counter Affidavit dated 19.11.2019 stating that the highest amount offered by one of the resolution applicants in the Resolution Plan being Rs.36,08,29,915/- has been rejected by the Committee of Creditors and the respondent has been advised to file an application before this Tribunal to liquidate the corporate debtor. Vide order dated 16.07.2019 passed in IA No.565 of 2019 this Tribunal has appointed the respondent as Liquidator to conduct the liquidation process of the corporate debtor.
49. If the Unit was sold during liquidation, IBBI (Liquidation Process) Regulations 2016 would apply to Liquidation process under Chapter – III of Part II of IBC, whereas when the Corporate Debtor is in CIRP, Under Chapter-II of part – II of IBC, the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 would apply.
50. Regulations 32 of Liquidation Process Regulations provides for sale of assets of Corporate Debtor as ongoing concern. The object of the Code is not for liquidation but for resolution. In the instant case, the Unit was sold as ongoing concern which is more or less in nature of resolution of the Corporate Debtor. The Applicant came forward for purchasing the unit as an ongoing concern. The mere purchase of the Unit as ongoing concern without granting certain other reliefs that would be essential and necessary to run the business as an ongoing concern is of no use. In other words, purchasing the Units as ongoing concern without granting necessary reliefs to the Applicant does not serve the purpose of purchasing the Unit as ongoing concern. Most of the reliefs sought for in the Application are in the nature of certain compliances required to be done under the Companies Act, 2013. The Applicant is bound to follow the law laid down under the Companies Act, 2013 since he is the purchaser of Corporate Debtor Unit as ongoing concern. It is but natural that he is to be granted necessary reliefs in order to enable him to follow the procedure prescribed under the Companies Act, 2013 so as to make the Company as ongoing concern. Section 60 (5) (c) empowers the Adjudicating Authority to grant necessary reliefs even during Liquidation.
51. No doubt, Liquidation process Regulations do not provide for granting specific type of reliefs to the Applicant. However, when Corporate Debtor is being sold as an ongoing concern, naturally the purchaser is entitled for consequential reliefs to achieve the object of running the unit as ongoing concern. Therefore, it is a fit case to grant certain reliefs in favour of the Applicant/purchaser which are more or less in the nature of complying necessary provisions of Companies Act, 2013. Regarding tax reliefs, it is always open to the purchaser to approach the concerned parties and seek reliefs.
52. We will deal with the reliefs prayed to separately. The Applicant requested the Tribunal to allow him to pay the bid amount to the Liquidator i.e. Rs. 45 Crores against which new equity capital shall be created by Applicant and the balance of Rs. 6.7 crore in the form of unsecured debt. The Liquidator is directed to look into the request of Applicant and accordingly permit the Applicant to pay the bid amount in the form suggest by the Applicant if permissible.
53. The applicant further prays that the direction be given that he will be entitled to all rights, title and interest in the whole and every part of the Corporate Debtor as soon as payment of balance of bid amount, Since Applicant purchased the unit as ongoing concern and naturally Applicant will be entitled to the Corporate Debtor as a rightful owner on payment of balance of bid amount. There is no need to

give any separate direction because it is very much implied that when the applicant purchased the Company as ongoing concern, he will be owner and entitled to all the benefits as owner of the company.

54. The Applicant further prayed a direction that he will be relieved of all the liabilities arising prior to e-auction date or arising on account of acquisition of control over the Corporate Debtor and liabilities to be treated as extinguished which accrued prior to e-auction date. Already Liquidator called for claims. The Liquidator should have received the claims and it is for the Liquidator to Look after the claims admitted by her which are to be dealt according to provisions of the Code. In the event if any claim which is stated to be due prior to e-auction, the Applicant is therefore not liable to pay the same and a direction can be given that Applicant is relieved of the liabilities that accrued prior to e-auction date.
55. The Applicant further sought a direction from the Tribunal that any decree passed against the Corporate Debtor by any court, the same will not be enforced against the Corporate Debtor. It is not brought to the notice of the Tribunal that any case is pending against Corporate Debtor. The amount, if any covered by a decree, the person who is obtaining the decree would have naturally filed a claim before the Liquidator. We already made it clear that it is for the Liquidator to look after the claims filed with her during liquidation.
56. **The Applicant further prays that the existing shares of Corporate Debtor shall stand extinguished and existing share share holders will become claimants from liquidation proceeds since corporate debtor is sold as "On Going Concern". We hold the interest of the existing shareholders of the Corporate Debtors to be dealt by Liquidator under Section 53 of the code.**

44 . Capital Redemption Reserve:

Equity	Rs. 58,99,32,880 /-
Securities Premium Reserve	Rs. 25,31,87,500 /-
Share warrants forfeited premium	Rs. 3,31,63,000 /-
Share Application Money	Rs. 30/-

Southern Online Bio Technologies Limited (Company) has been admitted for Corporate Insolvency Resolution Process ("CIRP") as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) pursuant to an Order of the Honorable National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 05th October, 2018 and Ms. CA G Kalpana was appointed as Interim Resolution Professional w.e.f. 05th October, 2018. Subsequently, she was appointed as the Resolution Professional by the Committee of Creditors as per the provisions of the IBC Code. Since, no resolution plan came forth, the Committee of creditors in its 14th meeting resolved to liquidate the Company. Following which the Hon'ble NCLT, Hyderabad bench on 16th July, 2019 passed an order in IA No. 565/2019 preferred by the resolution professional for liquidating the Company by appointing Mrs. CA G Kalpana as Liquidator of the Company. Thereafter the Company was sold to Dr Devaiah Pagidipati as a going concern which was approved by Hon'ble NCLT vide its Order dated November 26, 2019 by extinguishing all the existing shares of the Company and the existing shareholders will become claimants from liquidation proceeds u/s. 53 of the IBC code. According to the said Order of the NCLT, the Company shall without requirement of any further act, deed or thing, shall allot 4,50,00,000 shares at a face value of Rs. 10/- each to Dr Devaiah Pagidipati and his associates which shall constitute 100% of the equity of the Company. In compliance with the NCLT Order dated November 26, 2019 read with Sale Certificate issued by the Liquidator in favor of Dr Devaiah Pagidipati on January 02, 2020, the following persons will be allotted shares in the new created share capital of the Company. The earlier share capital has been transferred to Capital Redemption Reserve of the Company as on March 31st, 2020 as tabulated above. The earlier shareholders will be written off in full and shall stand permanently extinguished due to the same earlier Equity Shares transferred to Capital Redemption Reserve account, and the earlier Share warrants forfeited Premium and Securities Premium Reserve were been transferred to Capital Redemption Reserve.

Earlier Equity, Securities Premium Reserves, Share warrants forfeited premium and pending allocation of Share Application Money has been transferred to Capital Redemption Reserve and the same has been transferred to Reserves and surplus.

As per the NCLT order the New Management cancelled all the entire paid-up capital as stated above were been extinguished and existing shareholders (Equity Rs. 58,99,32,880 /-) of the earlier paid up capital will become claimants from the liquidation proceeds since corporate debtor is sold as going concern.

As per the NCLT order, The Applicant further prays that the existing shares of Corporate Debtor shall stand extinguished and existing shareholders will become claimants from liquidation proceeds since corporate debtor is sold as ongoing concern.

Company filed an application "Corporate Actions" on Dec 4th, 2020 to Bombay Stock Exchange Reduction of Share Capital of Southern Online Bio Technologies Ltd. (Scrip Code 532669) as per Insolvency & Bankruptcy Code 2016, Keeping Record Date as Dec 12th, 2020 "Trading members of the Exchange are hereby informed that, Southern Online Bio Technologies Ltd. has fixed the Record Date for the purpose of the reduction of share capital of the Company as per the Order passed by the Hon'ble National Company Law Tribunal, Hyderabad Bench under provisions of Insolvency and Bankruptcy Code 2016: As per the Order passed by Hon'ble NCLT under provision of Insolvency & Bankruptcy Code 2016 Reduction of Share Capital: Pursuant of the Hon'ble NCLT Order dated November 26, 2019 in IA No. 1038/2019 in CP(IB) No. 343/7/HDB/2018, under clause 2 (e, f), 3, 19, 20, all the existing shares of 5,89,93,288 of Rs. 10/- each of the Company shall be extinguished and such existing shareholders will not be entitled to any shares of the Company and they may approach the then liquidator of the Company for making claims from liquidation proceeds u/s 53 of the Code, Trading members are requested to note that the equity shares of the company are currently suspended from trading".

Since the allotment in ROC / BSE were been under process through RTA, the infusion of New Capital to the tune of Rs. 45.00 Crs were been considered as share application money for the preparation of balance sheet.

SI No	Name and Address of the Allottee	Regd. Folio No	Share Certificate No	Distinctive No's.	No. of Equity Shares of Rs. 10/- each
1	Dr Devaiah Pagidipati H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	01	01	01 to 4,49,94,000	4,49,94,000
2	Dr P Rudrama Devi H.No.1-118/1/8/409, Jayabheri Silicon County, Kondapur, Hyderabad 500084	02	02	4,49,94,001 to 4,49,95,000	1,000
3	Mr. Brijmohan Venkata Mandala 7-1-35-35/A, Flat No-405, Viswa Swapnika Apartment, ShyamKaram Road, Near KK Function Hall, Ameerpet, Hyderabad 500016	03	03	4,49,95,001 to 4,49,96,000	1,000
4	Mr. Rajasekhar Gopalajosyula 1-2-607-27-6, ACT College Road, Opp. ESI Dispensary, Gandhinagar, Secunderabad, Hyderabad 500080	04	04	4,49,96,001 to 4,49,97,000	1,000
5	Mr. Gottipati Venkata Rama Krishna Prasad	05	05	4,49,97,001	1,000

	1-283, Co-operative Bank, Poranki (rural), Poranki, Krishna Dist-521137 Andhra Pradesh			To 4,49,98,000	
6	Mr. Raghuram Garimella 4-11-31, Himagiri Colony, Road No-3, Gandam Guda Village, Hydershahkote, Golkonda, Hyderabad, Telangana 500091	06	06	4,49,98,001 to 4,49,99,000	1,000
7	Mr. Fatima Reddy Kommareddi 3-4-63/19/92, Sriramanapuram, Church colony, Ramanthpur, Uppal, KV Rangareddy Dist. Telangana 500039	07	07	4,49,99,001 to 4,50,00,000	1,000

45 . Unsecured Loan:

Dr Devaiah Pagidipati requested the NCLT Honourable Court (Hyderabad) with the reliefs prayed for separately requested the Tribunal to allow him to pay the bid amount to the Liquidator i.e., Rs. 45.00 Crores against which new Equity shall be created by applicant and the balance amount of Rs. 6.7 Crores in the form of **Unsecured debt**. The liquidator is directed to look into the request of Applicant and accordingly permit the Applicant to Pay the bid amount in the form suggests by the Applicant if permissible. The applicant further prays that a direction be given that he will be entitle to all rights, title and interest in the whole and every part of the Corporate Debtor as soon as payment of balance of bid amount, since applicant purchased the unit as ingoing concern and naturally applicant will be entitle to the corporate debtor as aright full owner on payment of balance of bid amount. There is no need to give separate direction because it is very much implied that when the applicant purchased the company as ongoing concern, he will be the owner and entitle to all the benefits as owner of the company.

Similarly in the Page No 11, Point 17 by the NCLT order stats that in Page No 2, IA No. 1038 / 2019 vide Separate Orders, dated on Nov 26th, 2019 as "The applicant further prayed a direction that he will be relieved of all the liabilities arising prior to e-auction date or arising on account of acquisition of control over the Corporate Debtor and Liabilities to be treated as extinguished which accrued prior to E-Auction date. Already Liquidator called for claims. The Liquidator should have received the claims and it is for the Liquidator to look after the claims admitted by her which are to be dealt accordingly to provisions of the Code. In the event if any claim which is stated to be due prior to e-auction, the Applicant is therefore not liable to pay the same and a direction can be given that Applicant is relieved of the liabilities that accrued prior to e-auction date", therefore the considering the above statement as per the order the refunds above quoted should belongs to the company as per the New Management.

46 . Physical verification for fixed assets:

Physical Verification of the fixed assets aggregating to 5170.35 Lakhs (WDV as on March 31, 2020) and inventory aggregating to 214.10 Lakhs has been carried out under the insolvency process and under new management has been carried out. Management believe that no item of fixed assets and inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets and inventories. Accordingly, no provision is required in respect of such fixed assets and inventories.

47 .Written Offs (Bad Debts, Deposits, Chits, Loans & Advances, Chit funds, Investments, Loss of Stocks, Loss of BG, Insurance Receivables & Others etc.,)

The Visakhapatnam unit of the company was effected by the natural calamity i.e., Cyclone Hudhud on October 12th, 2014. Due to the cyclone, the unit has incurred the loss of Rs. 1,856.23 lakhs. The damages are covered with the insurance and the petition for the claim of such losses has already been filed with

the insurance company. The said claim of the company is pending for approval since past 3 years with the National Insurance Company Limited, During the Year FY 18-19 an amount of Rs. 1,00,11,895 /- received during the insolvency proceeds and liquidation process, the said amount has been recognized in the last financial year as **erroneously income**.

Since the claim amount is pending more than 5 years, the same has been written off, but company would like to deal the said subject with insurance agencies, as and when the insurance receivable receives the same will be accounted as revenue.

The total amounts in the books of accounts were been long lastingly carried were been written off during the current year.

Description	Amount - Rs. Lakhs
Bad Debts	103.23
Deposits & Chits	68.6
Loans & Advances	251.72
TDS / Input Taxes Receivable	109.43
Loss of Stocks	244.43
Investments - Marvel	4.32
Insurance Claim Receivable	1,856.23
Loss of BG	111.15
Others	21.43
Total	2,770.54

49 . Revenue Recognised During the Year (Term Loans and Cash Credit)

The Liquidator paid the total sum of Rs. 48,85,60,598.78 to the secured financial creditors out of the Liquidation proceeds of Rs. 51,70,00,000/-

Amounts were owing to the lending banks both in respect of Cash Credit and Term Loans the amounts paid by the Liquidator to the individual banks were apportioned to the respective loan amounts in the ratio of the amounts owing. After such apportionment, the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year. As per the IND As, the economic benefit arising from the Liabilities Written off the Loans (As per the NCLT Order) has been recognised in statement of profit & loss.

The details are tabulated below:

Amount in Rs.

Sl.No.	Banks	CC	Term Loan	Paid Amount
1	Bank of India – April 1 st , 2019	40,03,40,510.39	1,46,90,32,643.24	22,89,00,195.10
	Bank of India – Mar 31 st , 2020	40,03,40,510.39	1,46,90,32,643.24	
	Less : Paid amount	4,90,20,721.60	17,98,79,473.50	
	Balance :	35,13,19,788.79	1,28,91,53,169.74	
2	State Bank of India – April 1 st , 2019	54,25,35,431.54	54,27,25,713.03	15,16,52,816.18
	State Bank of India – Mar 31 st , 2020	54,25,35,431.54	54,27,25,713.03	
	Less : Paid amount	7,58,39,702.92	7,58,13,113.26	
	Balance :	46,66,95,728.62	46,69,12,599.77	
3	Punjab National Bank – April 1 st , 2019	8,10,47,825.93	5,29,96,739.16	1,31,79,758.00
	Punjab National Bank – Mar31 st , 2020	8,10,47,825.93	5,29,96,739.16	
	Less : Paid amount	79,68,922.00	52,10,836.00	
	Balance :	7,30,78,903.93	4,77,85,903.16	
4	UCO Bank - April 1 st , 2019	15,81,47,917.20	37,91,88,207.46	9,48,27,829.50

	UCO Bank - Mar 31 st , 2020	15,81,47,917.20	37,91,88,207.46	
	Less : Paid amount	2,79,09,576.59	6,69,18,252.91	
	Balance :	13,02,38,340.61	31,22,69,954.55	
	Grand Total	1,02,13,32,761.94	2,11,61,21,627.23	48,85,60,598.78
	Grand Total of Balance Portion - Rs. Cr	102.13	211.61	48.86
	Sale Consideration			51,70,00,000.00
	Other Legal, Valuation, Professional Fees, Liquidation Expenses			2,84,39,401.22

The Applicant further prayed a direction that he will be relieved of all the liabilities arising prior to e-auction date or arising on account of acquisition of control over the Corporate Debtor and liabilities to be treated as extinguished which accrued prior to e-auction date. Already Liquidator called for claims. The Liquidator should have received the claims and it is for the Liquidator to Look after the claims admitted by her which are to be dealt according to provisions of the Code. In the event if any claim which is stated to be due prior to e-auction, the Applicant is therefore not liable to pay the same and a direction can be given that Applicant is relieved of the liabilities that accrued prior to e-auction date.

As per the Section 41 (1) (a) if the Income Tax Act, 1961, any cessation of a liability in a year shall be brought to tax as the income of the year in which such cessation of liability occurs, where in such respect of such liability an allowance or deduction has been made in the assessment for any year in the past.

Accordingly, all such liabilities in respect of which the company had received the benefit of an allowance or deduction in the tax assessments in the past years and which liabilities are no longer payable by virtue of the order of the Hon'ble NCLT, were recognized as the income of the year in the state of Profit & Loss Statement.

Apart from the above liabilities, the Unsecured Loans of the earlier directors, Other Loans were been were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) and the amounts due in respect of Term Liabilities were transferred to Other Revenues as Liabilities Written Back - Earlier Years (Bank Liabilities) to the profit statement as income of the year.

Earlier Equity, Securities Premium Reserves, Share warrants forfeited premium and pending allocation of Share Application Money has been transferred to Capital Redemption Reserve and the same has been transferred to Reserves and surplus.

50 . Assets Written Off

The company has written off Assets during the year to an amount of Rs. 4492.65 Lakhs/- (Inclusive of all assets, the major assets written offs under the Plant & Machinery head as described in notes):

During the FY	Asset Under Classified	Capitalized Items	Amount in Lakhs
2010-11	Plant & Machinery	Plant & Machinery	1,065
2010-11		Mr Kasubabu Contractor	69.08
2010-11		Mr Nageshwar Rao Contractor	71.10
2010-11		Murali Engineers & Fabricators	82.11
2010-11		Mr. D Shankar Rao - Contractor	85.71
2010-11		Parameshwari Steel Profiles	10.54
2010-11		Parameshwari Steel Profiles	9.51
2010-11		Boilers	88.56
2010-11		Cooling Towers	18.00
2010-11		Fabrication	38.89
2010-11		Lab Equipment's	41.79

2010-11		Motors & Pumps	24.55
2010-11		Nitrogen	24.82
2010-11		Aum Consultancy Pvt Ltd	255.83
2013-14		Pre – Operative Accounts	60.24
2013-14		Pre – Operative Accounts	84.39
2015-16		Pre – Operative Accounts	1,853.24
2015-16		Plant Maintenance	5.71
2015-16		Pre – Operative Accounts	5.96
2015-16		Pre – Operative Accounts	2,959.04
		Total	6,854.25

Description	Amount Rs. Lakhs
Total Depreciation under impairment of asset loss	2,371.44
Total Net Block written off in the books	4,482.80
Total Gross Block Removal from books of accounts	6,854.25

51 .Previous period figures have been regrouped, wherever necessary, for the purpose of comparison.

52 .The figures have been rounded off to the nearest rupee.

For P. C. N. Associates.,

Chartered Accountants

FRN: 016016S

For Southern Online Bio Technologies Limited

K Gopala Krishna

Partner

Membership No: 203605

Dr. Pagidipati Devaiah

Director &CEO

(DIN: 05147621)

Mr. Brij Mohan Venkata Mandala

Director

(DIN: 00295323)

Mr. U U V Ravikanth

Chief Financial Officer

Mr. Kolli Srikanth Reddy

Company Secretary

Place: **Hyderabad**

Date: **December 29, 2020**

SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED

(CIN: L72900TG1998PLC030463)

Registered Office: Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad - 500004

Email: cs@sol.net.in, website: www.sol.net.in

Form MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Regd. Folio No :	DPID : NA
No of Shares Held :	Client ID : NA

I, _____ being the member of Southern Online Bio Technologies Limited holding _____ equity shares of the above named company, hereby appoint

Name& Address:

Email ID:

Signature: _____

and whose signatures are appended below as my proxy to attend and vote, in case of a poll, for me and on my behalf at the 22nd Annual General Meeting of the Company, to be held on Thursday, the 31st day of December, 2020 at 10.00 AM at Anion Conference Hall, 8th Floor, Swarna Jayanti Complex, beside Maitrivanam, Ameerpet, Hyderabad, Telangana 500038 and at any adjournment thereof in respect of resolutions are indicated below:

Sl. No	Resolution (s)	Vote	
		For	Against
Ordinary Business			
1	To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and of the Auditors thereon. (Ordinary Resolution)		
Special Business			
2	Appointment of Dr Devaiah Pagidipati as Chairman & Managing Director of the Company (Special Resolution)		
3	Regularization of Additional Director – Mr Yalamanchili Madana Mohana Rao (Ordinary Resolution)		
4	Appointment of Independent Director - Mr Yalamanchili Madana Mohana Rao (Special Resolution)		
5	Regularization of Additional Director – Dr Divya Sunitha Raj Burra (Ordinary Resolution)		
6	Appointment of Woman Independent Director - Dr Divya Sunitha Raj Burra (Ordinary Resolution)		
7	Increase in the limits of borrowings under section 180 of the Companies Act, 2013. (Special Resolution)		
8	To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013 (Special Resolution)		
9	Approval for conversion of loan in to equity (Special Resolution)		

*Applicable for investors holding shares in Electronic form.

Signed this _____ day of December, 2020

Affix Revenue Stamp

Signature of shareholder: _____

Signature of Proxy holder: _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company.

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ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full name of the member attending _____

Member's Folio No/ Client ID: _____

No. of shares held: _____

Name of Proxy _____ (To be filled in, if the Proxy attends instead of the member)

I hereby record my presence at the 22nd Annual General Meeting of the Southern Online Bio Technologies Ltd., to be held on Thursday, the 31st day of December, 2020 at 10.00 AM at Anion Conference Hall, 8th Floor, Swarna Jayanti Complex, beside Maitrivanam, Ameerpet, Hyderabad, Telangana 500038

..... Member's / ~~Proxy's~~ Signature

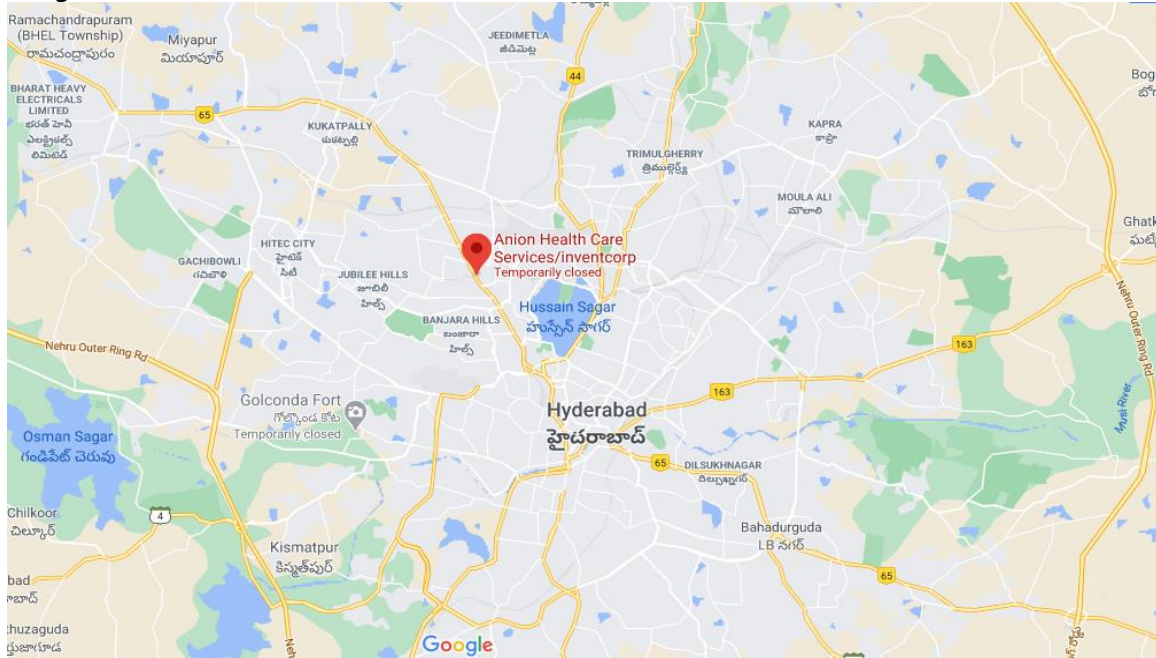
Note:

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

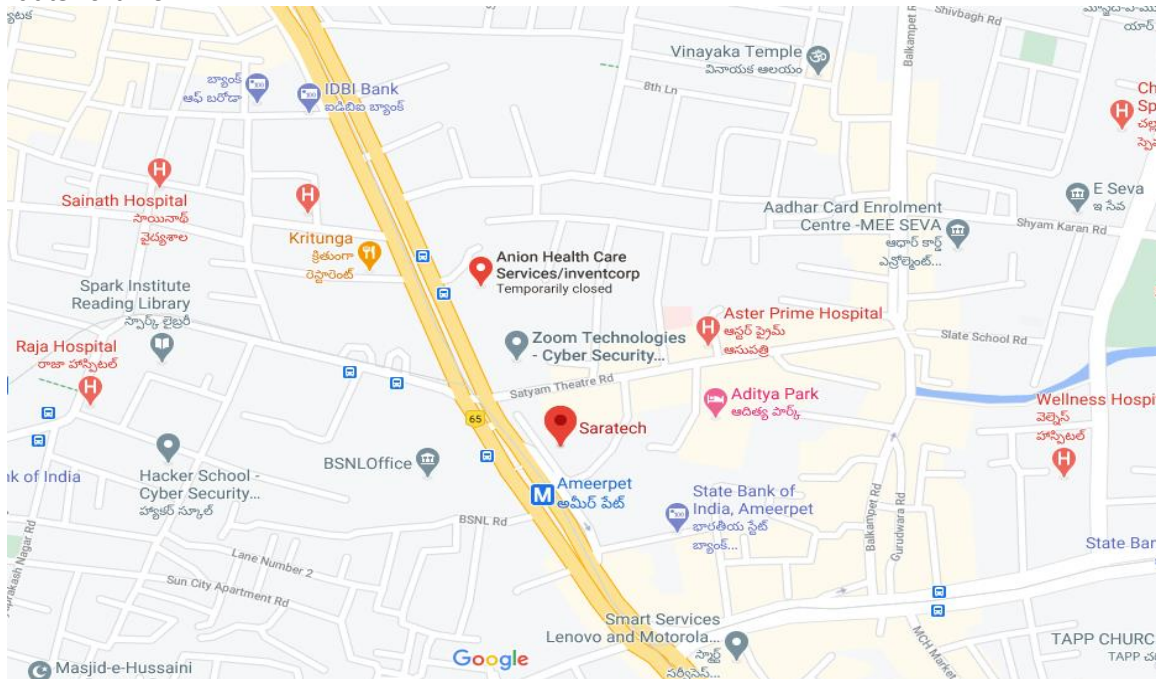
In terms of the Requirements of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; route map for the location of the venue of the 22nd Annual General Meeting is given below :

ROUTE MAP FOR AGM VENUE

Long view



Short view



SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED

(CIN: L72900TG1998PLC030463)

Registered Office: Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad - 500004

Email: cs@sol.net.in, website: www.sol.net.in

**Form No.MGT-12
POLLING PAPER**

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration Rules, 2014)

CIN	L72900TG1998PLC030463		
Name of the Company	SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED		
Registered Office	Flat No. A3, 3rd Floor, Office Block, Samrat Complex, Saifabad, Hyderabad - 500004		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	
Number of Equity shares held			

In respect of 22nd Annual General Meeting of the Company, I hereby exercise my vote in respect of Ordinary/Special Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

Sl. No	Resolution (s)	Vote	
		For	Against
Ordinary Business			
1	To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and of the Auditors thereon. (Ordinary Resolution)		
Special Business			
2	Appointment of Dr Devaiah Pagidipati as Chairman & Managing Director of the Company (Special Resolution)		
3	Regularization of Additional Director – Mr Yalamanchili Madana Mohana Rao (Ordinary Resolution)		
4	Appointment of Independent Director - Mr Yalamanchili Madana Mohana Rao (Special Resolution)		
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8	To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013 (Special Resolution)		
9	Approval for conversion of loan in to equity (Special Resolution)		

Place:

Date:

(Signature of the Shareholder / Proxy)