

Southern Latex Limited
2009-2010

Board of Directors

Mr.N. NEELAGANDA PILLAI

Mr. A.P . VETRIVEL

Mr. B. THIRUMOOLAM

Registered Office

B-11/W, SIPCOT Industrial Complex,

Gummidipoondi

Tiruvallur District – 601201.

Auditors

O.S.Hariharan & Company
Chartered Accountants,
No.34, Veerabadran Street,
Second Floor,Luz,Mylapore,
Chennai – 600004.

Banker

UnionBank of India

Listing of Shares with

Madras Stock Exchange (Regional)

Mumbai Stock Exchange

Coimbatore Stock Exchange (Regional)

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In view of the recommendation of a working Group on the Companies Act, 1956 to debar the Companies from giving gifts to the Shareholders, it has been decided not to distribute Gift at the Annual General Meeting of the Company. This is for your kind information

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 21st Annual General Meeting of the Company will be held on Thursday the 30th September 2010 at 12.00 at the Registered Office of the Company at B-11/W SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District – 601201 at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet of the Company as at 31st March 2010, the Profit and Loss Account for the year ended on that date, the report of the Auditors thereon and the report of the Board Directors.
2. To appoint a Director in place of Mr. B. Thirumoolam who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors of the Company and to fix their remuneration.

Place : Gummidipoondi

Date : 30th September 2010.

By order of the Board

Director

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll on his behalf and the proxy need not be a member. The proxy form duly completed and stamped must reach the Registered Office of the company not less than 48 hour before the time for holding the aforesaid meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday 24th September 2009 to 30th September 2009 both days inclusive.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members are requested to intimate change in their address, if any, to the Company at its Registered Office quoting their folio numbers.
5. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting.

Place : Gummidipoondi
Date : 30th September 2010

By order of the Board

N.NEELAGANDA PILLAI.

Director.

DIRECTORS REPORT

Your Directors present the 21st Annual Report with the accounts for the year ended 31st March 2010

CORPORATE RESULTS

The Financial Results of the company for the year ended 31st March 2010 are summarized below:

		30.03.2010 (Rs. in Lakhs)	30.03.2009 (Rs. in Lakhs)
Loss before Depreciation	-	26.98	21.67
Depreciation	-	12.16	13.53
Loss after Depreciation	-	14.83	7.94
Loss Brought Forward	-	(458.87)	(466.51)
Loss carried to Balance Sheet	-	(44375)	(458.57)

OPERATION

The Domestic sales during the year under review Rs.195.02 lakhs.

DIVIDEND

Your Directors do not recommend any dividends for the year.

DEPOSITS

Your company has not accepted any deposits under Sec-58A of the companies Act 1956 during the year under review.

REFERENCE TO BIFR

The Company has become a Sick Industrial Unit within the meaning of clause (o) of subsection (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company has filed an application before Board of Industrial and Financial Reconstruction (BIFR) under Reference No. 130/2005 seeking relief measures. BIFR has sanctioned the Rehabilitation scheme on 26.11.2009.

DIRECTORS

Mr. B.Thirumoolam retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement the company is complying with SEBI Guidelines on Corporate Governance. A Separate Section on Corporate Governance forms part of Annual Report.

AUDITORS

M/s. O.S.Hariharan & Co, Chartered Accountants, Chennai, the Auditors of the company retire at the conclusion of the Annual General Meeting and are eligible for reappointment. Your Directors recommended their reappointments.

INFORMATION AS PER SEC 217 (2A) OF THE COMPANIES ACT, 1956.

There are no employees falling within the purview of sec 217 (2A) of Companies Act. 1956 your Directors confirm.

1. that in preparation of the Annual Accounts, the applicable accounting standards have been duly followed and with suitable explanation where are material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period.
3. that the Directors had taken proper and sufficient care for the maintain of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that the Directors had prepared the annual accounts on a going concern basis.

INFORMATION RELATING TO CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company has no activity to conservation of energy or technology absorption.
Foreign Exchange earning & outgo. NIL

LISTING ARRANGEMENT

As per recent amendment made in the clause 32 of Listing Agreement with the Stock Exchanges where the Companies Securities are listed along with other required details are summarized below:

S.No.	Name of the Stock Exchange where Securities are quoted	Listing Fee paid upto
1.	The Stock Exchange – Mumbai	Paid up to date.
2.	Madras Stock Exchange Ltd., - Chennai	Paid up to date.
3.	Coimbatore Stock Exchange	2001-2002

ACKNOWLEDGEMENT

The Directors place on record their appreciation for continued support received from the share Holders, Bank, Government Authorities, Employees and all the other concerned.

Place : Gummidipoondi
Date : 30/09/2010

By order of the Board

N.NEELAGANDA PILLAI

Director

STATEMENTS AND REPORTS ON CORPORATE GOVERNANCE:
MANDATORY REPORTS ON CORPORATE GOVERNANCE

Company's Philosophy on corporate Governance:

Company's Philosophy of corporate governance is to advocate the theory of Transparency as well as pooling in and converging talents in different functional areas in a coordinated way so as to increase the profitability of the company.

Board of Directors:

The Board of Directors is comprised of one Executive Directors and Two Non-Executive Directors who are Independent Directors.

Mr. A.P. Vetrivel is a Non-Executive Director

Mr. N. Neelakanda Pillai is an Executive Director

Mr. B. Thirumoolam is a Non – Executive Director.

Board Meetings:

The details of the Board Meeting held were as follows:

30.04.2009, 31.07.09, 30.10.09 and 30.01.2010.

Attendance of each Director at the Board Meeting and Last AGM.

Name of the Director	No. of the Board Meeting Attended	Attendance at the last AGM
Mr. A.P. Vetrivel	Four	Yes
Mr. N. Neelakanda Pillai	Four	Yes
Mr. B. Thirumoolam	Four	Yes

None of the Director is member in more than 10 committees or acting as Chairman of More than Five Committees.

Audit Committee Meeting:

A qualified and independent audit committee comprising of Mr. B. Thirumoolam, Mr. N. Neelakanda Pillai and Mr. P. Vetrivel has been constituted with Mr. A. P. Vetrivel being the Chairman of the Committee. The audit Committee reviews the financial reporting system. Disclosure requirements, appointments and remuneration of statutory auditors, financial Accounts, adherence to accounting standards, internal control and internal audit and financial and risk management policies of the company.

SHAREHOLDERS GRIEVANCES COMMITTEE:

The Share Transfer com investor Grievances Committee was constituted under the Chairmanship of Mr. B. Thirumoolam , non-executive Director and other members the committee are Mr. B. Thirumoolam and Mr. N. Neelakandan Pillai. Apart from looking into redressal of investors grievances the committee deals with various matters relating to the Transfer and transmission of shares, issue of duplicate share certificates, appraisal of split and consideration request. Other matters. The Company has not received my complaints from the share holder.

REMUNIRATION COMMITTEE:

There exists a qualified and independent Remuneration committee comprised of Mr. A. P. Vetrivel, Mr. N. Neelakanda Pillai and Mr. B. Thirumoolam who is the chairman of the committee.

The Committee oversees, interalia, the financial reporting system, disclosure requirements and matters relating to appointment and remuneration of executive and non-executive directors.

The committee met 3 times during the year.

GENERAL BODY MEETING HELD IN THE LAST THREE FINANCIAL YEAR:

General Body Meeting	Date	Venue	Time	Special Resolutions
AGM	30.09.2009	B-11/w, Sipcot Indsutrial Complex, Gummidipoondi, Thiruvalluvar District-601 201	12.00 Noon	NIL
AGM	30-09-2008	--- do ----	12.00 Noon	NIL
AGM	30.09.2007	---do -----	12.00 Noon	NIL

DISCLOSURE:

There are no materially significant transactions made by the Company with its promoters. The Directors or the management, their subsidiaries or relatives etc., which require separate disclosure.

No penalties/striectures have been imposed on the Company by any regulatory authority for Non-compliance of the law.