

**23RD ANNUAL REPORT
2011-12**

SOUTHERN LATEX LIMITED

Board of Directors

Mr. N Neelakanda Pillai	- Executive Director
Mr.A.P.Vetrivel (up to 30.06.2012)	- Non Executive & Independent Director
Mr.B.Thirumoolam (up to 06.01.2012)	- Non Executive & Independent Director
Mr.Govindan Manivannan	- Non Executive & Independent Director
Mr.Muralikrishnan	- Non Executive & Independent Director
Mr.Vinnakaram Krishnan Balaji	- Non Executive & Independent Director

Company Secretary

Mr. R K Pungalia

Registered Office

B-11W, SIPCOT Industrial Complex,
Gummidipoondi
Tiruvallur District –601 201.

Auditors

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

Bankers/Financial Institutions

Union Bank of India

Registrar and Share Transfer Agents

M/s.Cameo Corporate Services Limited
"Subramanian Building"
No.1, Club House Road, Chennai 600 002
Phone No.044-28460390-94

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NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the shareholders of the Company will be held on Saturday, the 29th day of September 2012 at 12.00 noon at the registered office of the Company at B-11/W SIPCOT Industrial Complex, Gummidipoondi – 601 201, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date and the reports of the Directors, and Auditors thereon.
2. To appoint a Director in place of Mr.N.Neelakanda Pillai, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors and fix their remuneration M/s O.S.Hariharan & Co, Chartered Accountants, Chennai the retiring Auditors of the Company are eligible for reappointment and offer themselves for reappointment.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr.Vinnakaram Krishnan Balaji, be and is hereby appointed as Director of the Company liable to retire by rotation”.

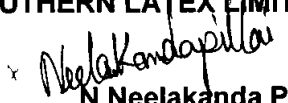
5. To consider and if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr.Govindan Manivannan, who was appointed as an Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 at the meeting of Board of Directors held on 06th January, 2012 and who vacates his office at the conclusion of this Annual General Meeting be and is hereby reappointed as Director of the Company liable to retire by rotation”.

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

“RESOLVED THAT Mr.Muralikrishnan, who was appointed as an Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 at the meeting of Board of Directors held on 30th June, 2012 and who vacates his office at the conclusion of this Annual General Meeting be and is hereby appointed as Director of the Company liable to retire by rotation”.

**By Order of the Board
For SOUTHERN LATEX LIMITED**


**N Neelakanda Pillai
(Executive Director)**

Place :Gummidipoondi
Date :01st September,2012

Registered Office

B-11/W SIPCOT Industrial Complex,
Gummidipoondi – 601201

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 INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.***
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting is annexed hereto
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday the September 25, 2012 to Saturday the September 29, 2012 (both days inclusive) for the purpose of updating of Register of members and share transfer books in the ensuing Twenty Third Annual General Meeting.
4. Mr.N.Neelakanda Pillai as the Executive Director, shall be liable to retire by rotation under section 255 of the Companies Act, 1956, however, if re-appointed as a director immediately on retirement by rotation, he shall continue to hold office in Executive Director and such re-appointment as Director shall not be deemed to constitute a break in his appointment as the Executive Director.
5. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agent.
6. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company keep the information ready.
7. Members/ proxies should bring the attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
8. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar for the prescribed form. Nomination form may be downloaded from Company's Website southernlatexlimited.com
9. The Equity Shares of the Company have been admitted for dematerialization with National Securities Depository Limited (NSDL and Central Depository

Services (India) Limited (CDSL) and the Company have been allotted International Securities Identification Number (ISIN) INE410M01018. Considering the advantages of scrip less trading, shareholders are requested to consider dematerialization of their shareholding so as to avoid inconvenience in future.

10. Annual Report is available at the website of the Company at southernlatexlimited.com
11. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holding shares in electronic form are, therefore, requested to submit the PAN to their Depositories Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN Details to the Company / Registrar and Transfer Agents
12. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars of bank mandates. Such changes are to be advised only to the Depository participant of the members.
13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN Details to the Company / Registrar and Transfer Agents.
14. Members who are holding shares more than one folio under physical form may approach the Company's Share Transfer Agents for consolidation with respective details.
15. Shareholders/Beneficial Owners are requested to quote their Folio No./DP & Client ID Nos., as the case may be, in all correspondence with the Company. All correspondences regarding shares of the Company should be addressed to M/s.Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai 600 002.
16. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors.

1	Name	N Neelakanda Pillai
	DIN	00084550
	Date of Birth	04.04.1963
	Nationality	Indian
	Date of Appointment on the Board	15.11.2003
	Qualifications	Bachelor in Science
	Expertise in functional area	Mechanical
	No of shares held	Nil

	List of directorship held in other companies	1.Nortan Electricals Private Limited 2.Tamil Nadu Industrial Park(Rubber) Ltd
2	Name	Govindan Manivannan
	DIN	02611543
	Date of Birth	01.01.1953
	Nationality	Indian
	Date of Appointment on the Board	06.01.2012
	Qualifications	Bachelor of Engineering(Mechanical)
	Expertise in functional Area	Production
	No of shares held	Nil
	List of directorship held in other companies	1. Norton Polymers Limited 2. Nortan Electricals (P)Limited 3. Rajalakshmi Renewables(P) Limited 4. Klassic Industries(P)Ltd 5. Tranz Vision Digital Media (P) Ltd. 6. Choice Vision(P) Ltd.
3	Name	Muralikrishnan
	DIN	05312102
	Date of Birth	07.12.1962
	Nationality	Indian
	Date of Appointment on the Board	30.06.2012
	Qualifications	B.COM
	Expertise in functional Area	Financial
	No of shares held	Nil
	List of directorship held in other companies	1. Norton Polymers Limited 2. Nortan Electricals (P)Limited 3. Rajalakshmi Renewables(P) Limited.
4	Name	Vinnakaram Krishnan Balaji
	DIN	00084412
	Date of Birth	17.03.1961
	Nationality	Indian
	Date of Appointment on the Board	29.09.2012
	Qualifications	Bachelor in Arts
	Expertise in functional Area	Adminstration
	No of shares held	Nil
	List of directorship held in other companies	1. Klassic Industries(P)Ltd 2. Tranz Vision Digital Media(P) Ltd 3. Choice Vision(P) Ltd. 4. Norton Polymers Limited 5. R I Publications(P) Ltd.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by email to its members. To support this Green Initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Company or the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill up the e-mail registration form set out at the next page and send it to the Share Transfer Agent i.e., M/s.Cameo Corporate Services Limited::Subramanian Building, No.1, Club House Road, Chennai 600 002

EXPLANATORY STATEMENT PUSUANT TO SECTION 173(1)**Item No.4**

The Board of Directors at its meeting held on 01.09.2012 have recommended the appointment of Mr.Vinnakaram Krishna Balaji as Director of the Company liable to retire by rotation. The Company has received a notice in writing along with a deposit of Rs.500/- from a member as required under section 257 of the Companies Act, 1956 signifying his intention to propose the appointment of Mr. Vinnakaram Krishna Balaji as a Director of the Company. The Board of Directors recommend the resolution as set out in item No.4 of the notice convening annual general meeting for approval of the shareholders. Consent letter along with other disclosure to act as Director are available for inspection. The Board recommends passing of the Ordinary Resolution at Item No.4 of the Notice.

None of the Directors of the Company are concerned or interested in the resolution.

Item No.5

The Board of Directors at their meeting held on 06th January, 2012 has appointed Mr.Govindan Manivannan, as an additional director pursuant to the provisions of section 260 of the Companies Act, 1956 to hold office as such till the conclusion of the ensuing Annual General Meeting.

The Company has received a notice in writing along with a deposit of Rs.500/- from a member as required under section 257 of the Companies Act, 1956 signifying his intention to propose the appointment of Mr.Govindan Manivannan as a Director of the Company. The Board of Directors recommend the resolution as set out in item No.4 of the notice convening annual general meeting for approval of the shareholders.

Except Mr.Govindan Manivannan, being the appointee, no other directors are in any way concerned or interested in the aforesaid resolution.

Item No.6

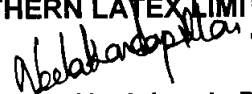
The Board of Directors at their meeting held on 30th June, 2012 has appointed Mr.Muralikrishnan, as an Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956, and Article 106A of the Articles of Association of the

Company to hold office as such till the conclusion of the ensuring Annual General Meeting.

The Company has received a notice in writing along with a deposit of Rs.500/- from a member as required under section 257 of the Companies Act, 1956 signifying his intention to propose the appointment Mr.Muralikrishnan as a Director of the Company. The Board of Directors recommend the resolution as set out in item No.4 of the notice convening annual general meeting for approval of the shareholders.

Except Mr.Muralikrishnan, being the appointee, no other directors are in any way concerned or interested in the aforesaid resolution.

**By Order of the Board
For SOUTHERN LATEX LIMITED**


**N Neelakanda Pillai
Executive Director**

Gummidipoondi, the 01st day of September, 2012

Registered Office
B-11/W SIPCOT Industrial Complex,
Gummidipoondi – 601201

DIRECTORS' REPORT TO THE MEMBER

Your Directors have great pleasure in presenting the Twenty Third Annual Report together with Audited Accounts of the Company for the year ended 31st March 2012 and the Auditors' report thereon.

Financial Results

(Amount In Rs.)

Particulars	2011-2012	2010-2011
Total Income	2,15,22,560	2,42,20,853
Expenditure	1,89,72,378	1,83,70,221
Profit before interest, depreciation and taxes	35,05,824	69,48,838
Less:		
Depreciation	9,45,079	10,93,846
Profit/(Loss) before Tax	25,50,182	58,50,632
Less: Provision for		
Current Tax	Nil	Nil
Deferred Tax	Nil	Nil
Fringe Benefit Tax	Nil	Nil
Profit/(Loss) after Tax	25,50,182	58,50,632
Add: Loss brought forward from previous year	(3,85,23,906)	(4,43,74,537)
Loss transferred to Balance sheet	(3,59,73,724)	(3,85,23,906)

Your Company has made a turnover of Rs. 2,15,22,560/- as compared to Rs.2,42,20,853/- of previous year and has made a Profit after Tax of the Rs.25,50,182 /- as compared to Rs. 58,50,632/- in the previous year.

Business Prospects

The Company has recovered itself from the sickness status and has recovered its losses upto a extent. Now It is successfully running its operations and after a long time is able to achieve all its objectives and during the year, sales of the company is Rs. 2,15,22,560 and the company has achieved a net profit after tax of Rs. 25,50,182

The Company is looking for a strong future ahead and targeting the growth in upcoming year. Accordingly the profit would also increase considerably. It future aim is to improve its financial position.

Fixed Deposits

Your Company has not accepted any deposits from public or its employee during the year under review.

Dividend

In view of accumulated loss, your directors have not recommended any dividend during the year under report.

Subsidiaries / Joint Ventures

There are no Subsidiaries and Joint Venture Company.

Insurance

All insurable interests of the Company including buildings, furniture and fixtures and other insurable interest are adequately insured.

STATUTORY STATEMENTS

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo

Pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the required particulars are furnished below.

Conservation of energy:

Energy conservation continues to receive utmost priority and the Company monitors energy costs and reviews the consumption of energy on a regular basis. The Company wherever necessary also initiates appropriate measures to reduce consumption of electricity, including using Generator.

Technology Absorption

The relevant particulars relating to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not applicable.

Research and Development:

Not Applicable

Foreign exchange earnings and outgo:

There are no foreign exchange earning and outgo during the year under review.

Particulars of Employees

During the year under review, there were no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of Company during the year.

Directors' Responsibility Statement

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement your Directors to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed;