

24TH ANNUAL REPORT
2012-13

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SOUTHERN LATEX LIMITED

Board of Directors

Mr. N Neelakanda Pillai
Mr. Govindan Manivannan
Mr. Muralikrishnan
Mr. Vinnakaram Krishnan Balaji

- Executive Director
- Non Executive & Independent Director
- Non Executive & Independent Director
- Non Executive & Independent Director

Company Secretary

Mr. Dillip Kumar Khadenga

Registered Office

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

Statutory Auditors

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

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 Fourth Annual General Meeting of the Shareholders of the Company will be held on Friday, the 20th day of September 2013 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 2013 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.G.Manivannan, who retires by rotation and being eligible, offers himself for re-appointment.
3. *To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.*

RESOLVED THAT M/s Kannan & Alamelu, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting in place of the Retiring Auditors M/s O.S.Hariharan & Co, Chartered Accountants, to audit the accounts of the company for the financial year 2013-14 at a remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS :

4. Appointment of Mr. N Pillai Neelakanda as Managing Director

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

RESOLVED THAT in accordance with the provisions of Section 198,269,309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act,1956 ("the Act"), Mr.N.Neelakanda Pillai,be and is hereby appointed as Managing Director of the Company for a period of Five (05) years with effect from 01st October 2013 with a consolidated remuneration of Rs.10,000/- (Rupees Ten Thousand Only) per month.

Minimum Remuneration

In the event of the Company incurring a loss or having inadequate profits in any financial year during the currency of tenure of service of Mr.N.Neelakanda Pillai, the payment of salary, performance bonus, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII to the Act, as may be in force from time to time.

RESLOVED FURTHER THAT during the tenure as the Managing Director Mr.N.Neelakanda Pillai,shall be entitled to be paid / reimbursed by the Company all costs, charges, and expenses as may be incurred by him for the purpose of or on behalf of the Company

By Order of the Board of Directors

Neelakanda Pillai
N Pillai Neelakanda
(Executive Director)

Place :Gummidipoondi
Date : 16th August, 2013

Registered Office

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

NOTES FOR MEMBERS ATTENTION:

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. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday the September 19, 2013 to Friday the September 20, 2013 (both days inclusive) for the purpose of updating of Register of members and share transfer books in the ensuing Twenty Fourth Annual General Meeting.
3. Mr.G.Manivannan as the Director of the company, 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 Non Executive Director and such re-appointment as Director shall not be deemed to constitute a break in his appointment as the Non-Executive Director.
4. 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.
5. 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.
6. 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.
7. 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

8. 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.
9. Annual Report is available at the website of the Company at southernlatexlimited.com
10. 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
11. 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.
12. 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.
13. 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.
14. 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.
15. Members who have not registered their e-mail address so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the company electronically.
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.

Important Communication To The Shareholders

The Ministry of Corporate Affairs (vide circulars nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29,2011 respectively) has undertaken a "Green Initiative in the Corporate Governance" and allowed companies to share documents/ notices (Including notice calling Annual General Meeting, Audited financial Statements, Directors Report, Auditors Report etc.) with its shareholders through an electronic mode. The move of Ministry allows public at large to contribute to the green movement.

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 with the Depository through their concerned Depository Participants(DP), or by filling in the E-Communication Registration Form available on the Company's Website(southernlatexlimited.com) 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

Mr.N.Neelakanda Pillai is the Executive Director of the Company. His tenure of office as Executive Director expires on 30th September, 2013. The Board of Directors (based on the recommendation of the Remuneration Committee) at its Meeting held on 16th August, 2013 have approved the appointment and consolidated remuneration of Mr.N.Neelakanda Pillai as the Managing Director for a period of Five(05) years with effect from 01st October, 2013. In view of sickness of company Mr.N.Neelakanda Pillai has expressed his intention to draw consolidated remuneration of Rs.10,000 per month. The said consolidated remuneration are in consonance with the provisions of the Companies Act,1956 and within the permissible limit as laid down in Section I Part I of schedule XIII to the Companies Act read with provisions of Section 198 and 309.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of terms and condition of his appointment and memorandum of concern or interest under section 302 of the Companies Act, 1956. The appointment and payment of remuneration is in conformity with the schedule XIII of the Companies Act,1956.

None of the Directors of the company except Mr.N.Neelakanda Pillai himself (as the resolution relates to his appointment as Managing Director) is concerned or interested in the resolution.

By Order of the Board of Directors

N Pillai Neelakanda
(Executive Director)

Gummidipoondi, the 16th day of August, 2013

Registered Office

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

DIRECTORS' REPORT TO THE MEMBERS

We have pleasure in presenting the 24th Annual Report of the company along with the audited statements of accounts for the year ended 31st March, 2013. The financial results are shown below.

FINANCIAL RESULTS

(Amount in Rs.)

Particulars	2012-2013	2011-2012
Total Income	1,83,50,933	2,15,22,560
Expenditure	1,66,37,125.40	1,89,72,378
Profit before interest, depreciation and taxes	29,91,346	35,05,824
Less:		
Depreciation	12,72,371	9,45,079
Profit/(Loss) before Tax	17,13,807.60	25,50,182
Less: Provision for		
Current Tax	Nil	Nil
Deferred Tax	Nil	Nil
Fringe Benefit Tax	Nil	Nil
Profit/(Loss) after Tax	17,13,807.60	25,50,182
Add: Loss brought forward from previous year	(3,59,73,724)	(3,85,23,906)
Loss transferred to Balance sheet	(3,42,59,916.40)	(3,59,73,724)

Your Company has made a turnover of Rs. 1,83,50,933/- as compared to Rs. 2,15,22,560/- of previous year and has made a Profit after Tax of the Rs. 17,13,807.60 /- as compared to Rs.25,50,182 /- in the previous year.

BUSINESS PROSPECTS

The Company has recovered itself from the sickness status and has recovered its losses up to 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. 1,83,50,933/- and the company has achieved a net profit after tax of Rs. 17,13,807.60/-

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

1. 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.

2. 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.

3. 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.

4. Research and Development:

Not Applicable

5. 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;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- (iv) they have prepared the annual Accounts on a going Concern basis.

INTERNAL CONTROLS AND THEIR ADEQUACY:

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with Corporate Governance norms stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

DIRECTORS

In compliance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr.G.Manivannan is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief resume of the Directors, seeking re-appointment, nature of their expertise as stipulated under clause 49 of the listing agreement with inter alia the Bombay Stock Exchange, is appended to the notice convening the Annual General Meeting.

AUDITORS & AUDITORS REPORT

M/s O.S.Hariharan & Co.,Chartered Accountants,retires as statutory auditors of the company at the ensuing Annual General Meeting and they have expressed unwillingness for reappointment as statutory auditors.The Board and Audit Committee recommend the appointment of M/s Kannan & Alamelu.,Chartered Accountants as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting. The Auditors Report to the Members does not contain any reservation, qualification or adverse remarks

DISCLOSURES OF PARTICULARS OF CONSTITUTING "GROUP" PURSUANT TO SEBI(SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011.

Pursuant to an information from the promotes, the name of the promoters and entities comprising group as defined under Monopolies and Restrictive Trade Practice (MRTP) Act, 1969, are given in **Annexure-A** for the purpose of the SEBI(Substantial Acquisition of Shares & Takeovers) Regulations, 2011: