

SOUTHERN LATEX LIMITED

**30th ANNUAL REPORT
2018 - 2019**

Boards of Directors

Managing Director	Mr. N. Neelakanda Pillai
Non Executive & Independent Director	Mr. Muralikrishnan Mr. V.K. Balaji Ms. Santhi Women Director
Company Secretary & Compliance officer	Ms. Kavitha.C

<u>Auditors</u> KANNAN AND ALAMELU Chartered Accountants, Flat No. 6, First Floor, "A" Block, Durgamba Apartments, No. 29, Padmavathiar Road, Gopalapuram, Chennai - 600086.	<u>Secretaries & Auditor</u> S Praharaj & Associates Practicing Company Secretaries 2nd Floor, No. 157/60, Rangarajapuram Main Road, Kodambakkam, Chennai - 600024.
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<u>Bankers</u> Union Bank of India, Triplicane Branch Chennai - 600005.	<u>Registered Office</u> B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District - 601201. Phone : 04119 322334 Email id : southernlatexltd@yahoo.com Website : www.southernlatex.in
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CIN : L25199TN1989PLC017137

Annual General Meeting
on 19th September, 2019 at 3.30P.M.
at Sivam G. R. Thirumana Mandapam,
Sivanandhapuram, Rettambedu Salai, Gumidipoondi -601201

<u>Listing</u> BSE Ltd Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai - 400 001	<u>Registrar & Share Transfer Agent</u> M/s. Cameo Corporate Services Limited "Subramanian Building" No. 1, Club House Road, Chennai - 600002 Phone : +91 44 - 2846 0390-94 Fax : +91 44 - 2846 0129 E-mail : cameo@cameoindia.com
Stock Code : 514454	ISIN Number : INE410M01018

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2019.

The Company has retained earnings on which interest is earned. During the year under review, your Company had earned Rs. 46.46 lakh and resulting net profit of Rs.18.63 lakh as compared with the previous year as Rs.46.46 lakh and Rs.15.47 lakh respectively.

FINANCIAL RESULTS

Your Directors are exploring all options to bring
(In Rs.)

Particulars	2018 - 19	2017 - 18
Total Income	46,462,20	46,46,220
Less : Expenses	20,15,488	23,52,511
EBITDA	26,30,732	22,93,709
Less: Depreciation	3,14,298	3,82,963
Profit after depreciation but before tax(PBT)	23,16,434	19,10,746
Less: Taxes	4,52,863	3,64,093
Net profit/(Loss)for the period	18,63,571	15,46,653
No. of Shares	73,59,200	73,59,200
EPS	0.25	0.21
Proposed Dividend	-	-
Dividend Tax	-	-
Balance of Profit Carried to B/S	18,63,571	15,46,653

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The year to which this report relates to thirtieth year of incorporation/operation. Your Company was incorporated to carry on the business of manufacturing, processing and selling of rubberized coir products. However with the change in policy and demand of market the business went down and the Company has not been able to grow.

Your Company is not having any commercial operation or operative income during the year.

new business to Company and make the Company on back on growth track. The Board will give all efforts to give the shareholders all the value.

SHARE CAPITAL

During the Financial year, the Company had not issued any Equity Shares with Differential rights, any Sweat Equity Shares and any Employee Stock Options.

DIVIDEND

Owing to conserve the resources of the company, your Directors do not recommend any

Dividend for the Financial Year ended at 31st March, 2019.

M A T E R I A L C H A N G E S A N D C O M M I T M E N T S O C C U R R E D B E T W E E N T H E E N D O F T H E F I N A N C I A L Y E A R A N D T H E D A T E O F T H E R E P O R T

There are no significant material changes and commitment affecting the financial position of the company between the end of the financial year and the date of this report.

T R A N S F E R T O R E S E R V E

The Board does not propose any amount to carry to any specific reserves.

C H A N G E S I N N A T U R E O F B U S I N E S S

There is no significant change in the business activity of the company during the financial year although the Sale of rubberized coir has been stopped by our company in the year 2017.

C O R P O R A T E G O V E R N A N C E

Your Company is committed to maintain the standard of Corporate Governance and adhere to Corporate Governance guidelines, as laid out in SEBI Listing Regulations. All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct adopted by the Company. The annual report of the Company contains a certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and Senior Management personnel. The Company has obtained a certificate from the auditor of the company confirming compliance, as per SEBI Listing Regulations. The Certificate

in this regard is attached as Annexure A to this Report. The Chief Executive Officer/Chief Financial Officer (CEO/CFO) certification as required under the SEBI Listing Regulations is attached as Annexure A to this Report.

D E T A I L S O F S U B S I D I A R Y

There are no subsidiaries and Joint Ventures Companies.

D I R E C T O R S A N D K E Y M A N A G E R I A L P E R S O N N E L

The Company Secretary Mr. Sowbhagya Mohakhud resigned in September, 2018. The Company was in search of a new Company Secretary and was not able to appoint one till the end of the year. However the Company has appointed Ms. C Kavitha as whole time company secretary in the month of April 2019.

MANAGERIAL REMUNERATION

The information required under Section 197 of the Act and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Name of the Director	Designation	Remuneration Paid in FY 2018-2019 (in Rs)	% increase of remuneration in 2019 as compared to 2018 previous year	Ratio/Times per Median of employee Remuneration
V K Balaji	Independent Director	NIL	NA	NA
N Neelakanda Pillai	Managing Director	NIL	NA	NA
Muralikrishnan	Independent Director	NIL	NA	NA
Santhi	Independent Director	NIL	NA	NA
Mr. Soubhagya Mohakhud	Company Secretary	4,08,167	NA	NIL

There is no employee who is drawing remuneration more than One Crore and Two Lakhs per annum, more than Eight Lakhs and Fifty Thousand per month and more than the remuneration of Managing Director or whole time Director.

- No. of permanent employees on the rolls as on 31st March 2019 is 4.
- The board confirms that the remunerations paid to the directors is as per the remuneration policy.

Performance Evaluation of the Board and its Committee

The Manner in which the formal evaluation of the members of both the Board and various committees constituted by the Company has been covered in the Report on Corporate Governance which is attached as Annexure A in this report.

The following policies relating to Appointment of Directors, payment of Managerial Remuneration, Directors Qualification, positive attributes, independence of Directors and other related matters as provided under the Section 178(3) of the Companies Act, 2013 of the Company are attached for

- (a) Policy relating to selection of Directors appointment- Annexure C
- (b) Remuneration policy for Directors, Key Managerial Personnel and other Employees- Annexure D.

AUDITORS

STATUTORY AUDITORS

The Statutory Auditors M/s Kannan & Alamelu were appointed at the 29th Annual General Meeting held on 24th September, 2018 as Statutory Auditors for a period of 5 Years.

SECRETARIAL AUDITOR

As required under Section 204 of the Companies Act, 2013 and Rules there under, the Board has appointed, M/S SPAN & Co Company Secretaries LLP, as Secretarial Auditor of the Company for a period of five years from the financial year 2018-19 to 2022-23.

Audit Reports

- The Auditors' Report for the Financial Year 2018-19 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditors' Report for Financial Year 2018-19 contains adverse remark. The Secretarial Auditors' Report is enclosed as Annexure C to the Board's report in this Annual Report. The remarks and the reply of the Board is provided below.
- As required by the Listing Regulations, the Auditors' certificate on corporate governance is enclosed as Annexure A to the Board's report. The Auditors' Certificate for the financial year 2018-19 contains qualification, reservation or adverse remark and the reply of the Board provided below.

Adverse Remark in Secretarial Audit Report and Boards' Reply thereon:

- (a) The Company has submitted belatedly the Report on Corporate Governance under regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 2nd and 3rd Quarter.

Reply: The Corporate Governance pursuant to reg 27 is not applicable to Company. However to ensure good governance company has not exercised its option to forego it last year. The Company Secretary of the Company, resigned

from the Company in the month of September 2018 and and Next two quarters i.e. September 2018 and December 2018 missed filing before the due date. However the Company filed subsuequently and paid the amount levied by the Stock Exchange.

- (b) The Company has submitted belatedly the Report on Corporate Governance under regulation 13 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 2nd and 3rd Quarter.

Reply: There is Investor Complaints neither pending at the beginning of the quarter nor received during the quarters mentioned. Hence the applicability of the regulation was not known and the Company missed the filings. However after discussing with stock exchange, the company filed the same.

- (c) The Company has not appointed the Chief Financial Officer and Company Secretary as at the end of the year. However as on date of this report, the company has appointed all the Key Managerial Persons and in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Reply: The Company was in search of the Key Managerial Personnel and appointed them subsequently.

The Board believes that it is a genuine difficulty of a small company and the Company is applying to Stock Exchange to waive the fees levied.

EXTRACT OF THE ANNUAL RETURN

As required under Section 134(3)(a)of the Act, the Annual Return is put up on the Company's website.

BOARD OF DIRECTORS

The Details of the Composition of the Board of Directors is provided in the Report on Corporate Governance which is attached as Annexure A in this report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Five Meetings of the Board of Directors were held during the Year. The details of the Meetings are furnished the Report on Corporate Governance which is attached as Annexure A in this report.

COMMITTEES

As on March 31, 2019, the Company has Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

During the year the Board has dissolved the Risk Management Committee and Corporate Social Responsibility Committee as the provisions relating to maintenance of such committees is not applicable to the Company.

Detailed note on the composition of the Committees are provided in the Report on Corporate Governance is attached as Annexure A to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of

the Act the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the Annual Financial Statements for the year ended March 31, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) For the financial year ended March 31, 2019, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been 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 and of the Profit of the Company for the financial year ended March 31, 2019;
- (c) that proper and sufficient care has been taken for the 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 fraud and other irregularities;
- (d) The annual financial statements have been prepared on a going concern basis;
- (e) That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) That proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not made any loans or investment and has not given any gurantee as per the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2018-19

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no materially significant transactions with Related Parties during the financial year 2018-19 which were in conflict with the interest of the Company. Accordingly the details in the Form AOC 2 is not applicable.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations and in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading)

(Amendment) Regulations, 2018, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee. Brief details about the policy are provided in the Report on Corporate Governance attached as Annexure A to this Report.

DEPOSITS

Your Company has not accepted any deposit within the meaning of provisions of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 for the financial year ended March 31, 2019.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has designed a proper and adequate internal control system to ensure adherence to the Company's policies, the assets are safeguarded, and that transactions are accurate, complete and properly authorised prior to recording. Details are provided in Management Discussion and Analysis Report in Annexure B to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Energy Conservation is being given top priority and the Company monitors the energy costs and reviews the consumption of energy on a regular basis.

B. FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange expenses and income during the year.

Acknowledgments

We thank our customers, vendors, investors, bankers, employee for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels to achieve its growth plan.

On behalf of Board of Directors

-Sd/-
N. Neelakanda Pillai
Managing Director

-Sd/-
Murali Krishnan
Director

DATE : 08.08.2019
PLACE : CHENNAI

ANNEXURE A

**REPORT ON CORPORATE
GOVERNANCE FOR THE YEAR ENDED
31ST MARCH 2019**

A. Philosophy on Code of Governance:

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. It ensures fairness, transparency and integrity of the management. It further inspires and strengthens investor's confidence and commitment to the company.

Your company's policy on governance has been

1. To enhance the long-term interest of its shareholders and to provide good management, the adoption of prudent risk management techniques, compliance with the statutory requirements and thereby safeguarding the interest of shareholders, creditors, investors and employees; and
2. To identify and recognize the Board of Directors and the Management of our company as the principal instrument through which corporate governance principles are articulated and implemented. Further to identify and recognize accountability, transparency and equality of treatment for stakeholders, as central tenets of good corporate governance

In compliance with the disclosure requirements of Clause 27 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015,

executed with the stock exchanges, the details are set out below:

2. Board of Directors:

- (i) The Board is the supreme authority constituted by the shareholders of the Company for managing the entire affairs of the Company. The Board provides and evaluates the policies, targets and performance, and ensures the interests of all the stakeholders. The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors which includes independent professionals.
- (ii) The number of directorship, committee membership / chairmanship of all the Directors is within the respective limits prescribed under the Act and SEBI Listing regulation. Necessary disclosure regarding board and Committee position in other Public Companies as on March 31, 2019 have been made by all the Directors of the Company.
- (iii) In the opinion of the Board, the Independent Directors and those who are proposed to be re-appointed at the Annual General Meeting, fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.
- (iv) The Board presently consists of four Directors as on March 31, 2019. Of the four directors, one (25%) is executive Directors and three (75%) are Independent Directors including a woman director

The Name and Categories of the Directors on the Board their attendance at the Board meeting held during the year and the number of directorships and committee positions held by them during the financial year 2018-19 are as follows:

SI. No.	Name(s) of Director(s)	Executive/ Non-executive/ Independent	Number of Board Meetings during the Year		Whether attended last AGM held on 24 th September, 2018	Number of Directorship in other Public Companies		Number of Committee positions in other Public Companies	
			Held	Attended		Member	Chairman	Member	Chairman
1	Mr. Neelakanda Pillai	ED	5	5	Yes	Nil	Nil	Nil	Nil
2	Mr. V.K. Balaji	ID/NED	5	5	Yes	Nil	Nil	Nil	Nil
3	Mr. Muralikrishnan	ID/NED	5	5	Yes	Nil	Nil	Nil	Nil
4	Mrs. Shanti	ID/NED	5	5	Yes	Nil	Nil	Nil	Nil

Five Board meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are: May 10, 2018, August 10, 2018, September 26, 2018, November 14, 2018 and February 14, 2019. The necessary quorum was present for all the Meetings.

3. Committee of Directors

The Board has constituted several committees. The Committees are Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social responsibility Committee.

A. Audit Committee

Terms of Reference: The Company has constituted a qualified independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits. The brief description of the terms of reference of the Committee is given below

- Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any, in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any, arising out of auditing findings
- Compliance with listing and legal requirements relating to financial statements, qualifications, if any, in the draft audit report.
- Review of adequacy of internal control systems, internal audit function and discussion on internal audit reports.
- to have full access to information contained in the records of the company and external professional advice, necessary.

To oversee the Company's financial process and the disclosure of its financial information to ensure that the financial statements are true and fair.

The composition of the Audit Committee and the details of meetings attended by its members are given below:

SI. No	Name	Designation	Meetings attended
1	Mr. V.K Balaji	Chairman	4
2	Mr.N. Neelakanda Pillai	Member	4
3	Mr. MuraliKrishnan	Member	4
4	Mrs. Shanti	Member	4

Four Audit Committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: May 10, 2018, August 18, 2018, November 14, 2018, February 14, 2019. The necessary quorum was present at all the meetings. All the members of the Committee have wide exposure and possess sound knowledge in the area of Accounts, finance, audit, internal control etc.

B. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee (NRC) constituted pursuant to the provisions of Regulation 19, read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act.

Terms of Reference

The brief description of the terms of reference of the Committee is given below:

- Formulate Remuneration Policy and a policy on Board Diversity.

- Formulate criteria for evaluation of Directors and the Board.

- 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

- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

Composition of the Nomination and Remuneration Committee and Attendance of each member in the Committee Meetings are given below.

During the financial year 2018–19, One meeting was held in 14th February, 2019.

SI. No	Name(s) of Director (s)	Designation	Meetings attended
1	Mr. MuraliKrishnan	Chairman	1
2	Mr. V.K Balaji	Member	1
3	Mr.N. Neelakanda Pillai	Member	1
4	Mrs. Shanti	Member	1

During the year concerned, none of the Directors have been paid any remuneration but they have been reimbursed their actual expenses i.e., Conveyance & Food etc for attending the Board & other Committee Meetings.

C. Stakeholders Relationship committee

Terms of Reference

The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investors' services and reviews all matters connected with transfer/transmission of securities of the Company and approves issue of duplicate certificates. The Committee also looks into redressal of shareholders'/ investors' complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend etc.

The composition of the Stakeholders Relationship Committee and attendance of each member in the Committee Meetings is given below:

During the year two meeting were held on 14th November, 2018 and 14th February 2019.

SI. No	Name(s) of Director(s)	Designation	Meetings attended
1	Mr. MuraliKrishnan	Chairman	2
2	Mr. V.K Balaji	Member	2
3	Mr.N. Neelakanda Pillai	Member	2
4	Mrs. Shanti	Member	2

Financial Year	Location	Date	Time	No of Spe Resolution Passed
2017-18	Sri Mini Kamakodi thirumana maligai, Agathiar Nagar, Villivakam, Chennai - 0600049	24.09.2018	12.30 P.M.	Nil
2016-17	Sri Mini Kamakodi thirumana maligai, Agathiar Nagar, Villivakam, Chennai - 0600049	27.09.2017	10.30 A.M.	Nil
2015-16	Sri Mini Kamakodi thirumana maligai, Agathiar Nagar, Villivakam, Chennai -0600049	07.09.2016	10.30A.M.	1

Compliance Officer

Mrs. Kavitha C, Company Secretary acts as Compliance Officer. Further, the Company Secretary has been authorized to deal with all correspondence and complaints of the investors. He appries the Committee about the status of Complaints/Grievances.

Investors' Grievance Redressal

During the year, one complaint was received from the shareholders/Investors of the Company and the same was resolved for the financial year ended 31st March 2019.

D. Corporate Social Responsibility Committee:

The CSR Committee aims to ensure that Corporate Social Responsibility with a positive impact on people and communities. The Company has formed the Committee. However the Company has not met the criteria and the Board has dissolved the same during the year.

4. General Body Meeting

Date, time and location for the Annual General Meetings of the Company held in last three years:

5. Postal Ballot

No resolution was passed through Postal Ballot during the Financial Year 2017-18. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

6. Disclosures

(i) None of the transactions with any of the related parties viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company and that require an approval of the Company in terms of the SEBI Listing Regulations.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years respectively:

2016-17 - NIL

2017-18 - NIL

2018-19 - The Company has submitted belatedly the Report on Corporate Governance under regulation 27 (2) and under regulation 13 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 2nd and 3rd Quarter. The Company has not appointed the Chief Financial Officer and Company Secretary as at the end of the year. The details are given in the Directors Report.

7. Whistle Blower Protection Policy:

Whistle Blower Policy: A Whistle Blower Policy has been framed by the Board of Directors for employees to report to the Management:

– Instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code or Ethics

– In case of any event of misconduct, act of misdemeanor or act not in Company's interest, which could affect the business or reputation of the Company.

The Committee has not received any information from Whistle Blower in the current year.

(iv) The Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations. A report on the compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review.

(V) Code of Conduct for Prohibition of Insider trading

In compliance with to SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has prescribed a Code of Conduct for prevention of Insider Trading. All the employees including the Directors of the Company complies with the Insider Trading Regulations framed by the Company.

8. Subsidiary companies: There is no subsidiary Company

9. Means of Communication

(i) The quarterly, half yearly and annual results are normally published in one leading national (English) business newspaper and in one vernacular (Tamil) newspaper.

(ii) The quarterly results are also displayed on the Company's website www.southernlatex.in

10. General Shareholder Information:

AGM: Date, time and venue	19th September, 2019
Date of Book Closure	13th September, 2019 to 19th September, 2019
Financial Year	1st April to 31st March
Tentative dates of Board Meetings for considering the results (2019-2020)	1st Quarter, on or before 14th August 2019 2nd Quarter, on or before 14th November 2019 3rd Quarter, on or before 14th February 2020 4th Quarter, on or before 29th May 2020
Stock Code & ISIN	The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Listing fees paid for the financial year 2018-2019
Stock Code & ISIN Number	514454 & INE410M01018
Trading at	BSE Limited PJ Towers Dalal Street, Mumbai 400001
Registrar and Share Transfer Agent	M/s.Cameo Corporate Services Limited Subramanian Building No.1, Club House Road, Chennai – 600 002 Phone No. +91 44 28460390 Fax No. +91 44 2846 0129 Email : cameo@cameoindia.com
Address for correspondence	B-11/W, SIPCOT Industrial Complex, Gummidipondi, Tiruvallur district – 601201 Email id:southernlatexltd@yahoo.com

11. Stock market Data

Market Price data of the Company's Shares in Bombay Stock Exchange;

Month	High (Rs.)	Low (Rs.)
April 2018	12.04	12.04
May 2018	11.44	11.44
June 2018	11.41	9.82
July 2018	11.55	8.87
August 2018	10.45	8.90
September 2018	8.80	4.40
October 2018	4.18	3.77
November 2018	4.66	4.00
December 2018	7.57	4.41
January 2019	12.13	7.94
February 2019	13.30	12.29
March 2019	NT	NT

12. Share Transfer System:

As regards transfer of shares in physical form, the transfer documents can be lodged with M/s. Cameo Corporate Services Limited at the above address. The physical transfers are normally processed within 15 days from the date of receipt of documents, complete in all respects. Requests for dematerialisation were confirmed within fifteen days.

13. Shareholding as on 31st March 2019

Categories of Shareholding as on 31st March 2019

S.	Category	No. of Shares Held	Percentage of holding
A	Promoter's Holding		
1	Promoters	4,063,346	55.21%
2	Persons acting in Concert	-	-
	Sub Total (A)	4,063,346	55.21%
B	Non Promoters Holding	-	-
1	Mutual funds/FIs/Banks	166,300	2.26%
2	FII's	120,800	1.64%
3	Bodies Corporate	790,473	10.74%
4	Indian Public (Individuals/HUF)	1,885,972	25.63%
5	NRI/Foreign Nationals/ Foreign Corporate Bodies	332,309	4.52%
	Sub Total (B)	3,295,854	44.79%
	Grand Total (A+B)	7,359,200	100.00%

Distribution of Shareholding as on 31st March 2019

No of Shares held Between	No of Shareholders	% of Total No of Shareholders	Total Shares held in the category	% of Shareholding
1 - 100	3848	56.2573	378807	5.1473
101 - 500	2472	36.1403	632508	8.5947
501 - 1000	293	4.2836	247531	3.3635
1001 - 2000	121	1.7690	179599	2.4404
2001 - 3000	30	0.4385	75600	1.0272
3001 -4000	20	0.2923	72438	0.9843
4001 - 5000	11	0.1608	52402	0.7120
5001 - 10000	14	0.2046	104279	1.4169
> 10000	31	0.4532	5616036	76.3131
Total	6840	100.0000	7359200	100.0000

14. Dematerialization of Equity Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form on BSE. Equity shares of the Company representing 71.70% of the Company's equity share are dematerialised as on March 31, 2019.

Particulars	No of Shares	%
CDSL	112780	1.53
NSDL	5164010	70.17
Physical	2082410	28.30
Total	7359200	100.00

The detailed breakup of shares as on 31ST March 2019 is as follows

15. The Company has not issued any GDDR/ ADR/ Warrants or other instruments, which are pending for conversion.

16. Details of Shares held by the directors as on 31st March, 2019

Name of Director	Category	No of Shares Held
N. Neelakanda Pillai	Managing Director	NIL
V K Balaji	Non-Executive & Independent Director	NIL
Muralikrishnan	Non-Executive & Independent Director	NIL
Shanthi	Non-Executive & Independent Women Director	NIL

17. The Management Discussion Analysis Report is attached separately and forming part of this Annual Report.

18. There is no legal proceeding pending against the Company.

For and On Behalf of Board Of Directors

Sd/-

Place: Chennai

Date: 08.08.2019

N.Neelakanda Pillai

Managing Director

**CERTIFICATION BY MANAGING DIRECTOR OF
M/s. SOUTHERN LATEX LIMITED**

I, **N. Neelakanda Pillai**, Managing Director of **M/s Southern Latex Limited** (the Company), to the best of my knowledge and belief certify that:-

1. I have reviewed the Balance Sheet and Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statement and Director's Report.

a. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit any material fact or contain statements that might be misleading.

b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. I also certify, that based on our knowledge and the information provided to me, there are no transactions entered into by M/s Southern Latex Limited which are fraudulent, illegal or in violation of the Company's Code of Conduct.

3. I am responsible for establishing and maintaining internal controls and procedures for the Company pertaining to financial reporting, and have evaluated the effectiveness of these

procedures in M/s Southern Latex Limited. I have disclosed to the auditors and Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which I am aware and the steps that I have taken or propose to take to rectify these deficiencies.

4. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors :-

a. Significant changes in internal controls during the year:

b. Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements: and

c. Instances, if any, of significant fraud of which I have become aware and the Involvement therein, if any, of the Management or and employee having a significant role in the Company's internal control system.

5. I affirm that I have not denied any personnel, access to the Audit Committee of Company (in respect of matters involving misconduct, if any).

6. I further declare that all the Board members and Senior Management have affirmed compliance with Code of Conduct for the current year.

Place: Chennai
Date: 08.08.2019

-sd-
N. Neelakanda Pillai
Managing Director

DECLARATION OF CODE OF CONDUCT

To

The Members of
M/s Southern Latex Limited

This is to confirm that the board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the web site of the Company.

It is further confirmed that all the directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the company for the year ended 31st March 2019, as envisaged in Listings Obligations And Disclosure Requirements, 2015 (LODR) with Stock Exchange.

Place: Chennai
Date: 08.08.2019

-Sd_
N. Neelakanda Pillai
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Shareholders
M/s. Southern Latex Limited

We have examined the Compliance of Conditions of Corporate Governance by Southern Latex Limited, Chennai, for the year ended 31st March 2019, as stipulated in to clause 27 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015 entered into by the company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. Subject to the below mentioned remarks:-

Date : 22/08/2019
Place : CHENNAI

- (a) The Company has submitted belatedly the Report on Corporate Governance under regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 2nd and 3rd Quarter.
- (b) The Company has submitted belatedly the Report on Corporate Governance under regulation 13 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for 2nd and 3rd Quarter.
- (c) The Company has not appointed the Chief Financial Officer and Company Secretary as at the end of the year. However as on date of this report, the company has appointed all the Key Managerial Persons and in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

For KANNAN & ALAMELU
(Chartered Accountants)
Reg No. : 009087S

-Sd-

A.B. KANNAN
Partner
Membership No. 203385
UDIN-19203385AAAABN1907

ANNEXURE - B
MANAGEMENT DISCUSSION AND ANALYSIS
INDUSTRY OUTLOOK

OVERVIEW:

In Financial year 2018-19, changing market dynamics require that we design our organization for Growth & Technology should be come core of our business.

The financial year 2017-2018 saw continued sluggishness in the investment and capex cycles, high inflationary pressures with significant demand side gaps, and very low market confidence. Whereas, revival of economy lacks promising with the various government initiatives.

GLOBAL MARKET

After many ups and downs, Global industries are expected to flourish at high speed. The world is on a new corridor of industrial revolutions. Analysts are anticipating more expansion with latest technologies in manufacturing. The hubs like China, Germany and India.

The niche products and delivery model is becoming important and Indian Industrial Rubber providers will need to adapt themselves in this prevailing situation obtained all over the world. From a growth perspective, the future is still bright and has been impacted by the after effects of recession, witnessed by everyone.

BUSINESS OVERVIEW

A significant proportion of all Indian businesses fall under the small and medium enterprise segment. So, a broad-based, sustainable growth in the Indian economy can emerge only if the country's SMB enterprises record a healthy

growth as they attempt to improve productivity, adopt best practices and bring innovative products to market. Again Indian SMBs are undergoing rapid transformation and are looking for greater flexibility to meet market changes. The need to grow revenues and reach their full potential in the shortest possible time span is going to increase their dependence on technology and managed by automation in production.

OPERATIONS OVERVIEW

During the year under review, your Company had earned Rs. 46.46 lakh and resulting net profit of Rs.18.63 lakh as compared with the previous year as Rs.46.46 lakh and Rs.15.47 lakh respectively.

The Company is planning to venture into new business opportunities and diversify its operations in future. The Company is looking for a strong future ahead and targeting the growth in upcoming year. Accordingly the financial position would also improve considerably.

THREATS, RISKS & CONCERNS

Competition

As the industry is poised for considerable growth, a lot of Companies are entering this arena and the cost efficient competitors are increasing. Also in the global scenario, there is a huge advent of companies in similar kind of businesses in China, Korea, Philippines, Malaysia and Singapore. These Countries also

have a huge cost advantage like India. Over and above that, the Government in such countries is actively supporting the growth of the concerned Industry. However, due to global economic meltdown, companies may reduce or postpone their technology spending & expansion. Reduction in spending may result in lower demand and negatively affect our revenues and profitability.

For the past several years, India has achieved healthy economic growth rates. The growth has been contributed by robust service sector performance as well as strong manufacturing output. India is being viewed as a key market among the emerging economies. This could affect our growth and profitability.

INTERNAL CONTROL SYSTEMS

The Company has an adequate systems and internal controls to safeguard the assets of the

company; and to ensure maintenance of proper accounting records. Audit Committee periodically reviews the functioning of the entire system.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company makes efforts to ensure that employees are provided with a congenial work atmosphere. Facilities are equipped with state-of-the-art machineries, automation software and communication equipment apart from periodic recreational facilities to motivate the team. Continuously improving the quality of people through training in skill development as well as personality development. Management places great emphasis on continuously improving the work environment and ambience to nurture innovation and creativity.

For SOUTHERN LATEX LIMITED

-Sd/-

N. Neelakanda Pillai
Managing Director

Place: Chennai

Date: 08.08.2019

ANNEXURE - C
POLICY FOR SELECTION OF DIRECTORS
AND DETERMINING DIRECTORS' INDEPENDENCE

1) Introduction

- a) The Company i.e., M/s. Southern Latex Limited (SLL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, SLL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

- b) SLL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. SLL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2) Scope and Exclusion

- a) This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3) Terms and References

In this Policy, the following terms shall have the following meanings:

- a) “Director” means a director appointed to the Board of a company.
- b) “Nomination and Remuneration Committee” means the committee

constituted by SLL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 19 of the SEBI (Listing obligations And Disclosures Requirements) Regulations 2015.

- c) “Independent Director” means a director referred to in subsection (6) of Section 149 of the Companies Act, 2013 and Clause 16(1)(b) of the SEBI(Listing obligations And Disclosures Requirements) Regulations, 2015.

4) Policy

- a) Qualifications and criteria

i) The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.

ii) In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;

- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

iii) The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI(Listing obligations And Disclosures Requirements) Regulations 2015 and other relevant laws.

iv) The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

b) Criteria of Independence

i) The NR Committee shall assess the independence of Directors at the time of

appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

II) The criteria of independence, as laid down in Companies Act, 2013 and Clause 16(1)(b) of the SEBI(Listing obligations And Disclosures Requirements) Regulations 2015, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- Who is or was not a promoter of the Listed entity or its holding, subsidiary or associate company;
- Who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the

two immediately preceding financial years or during the current financial year; who, neither himself nor any of his relatives.

- I. Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- II. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding subsidiary or associate company; or
 - B. Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- III. Holds together with his relatives two per cent or more of the total voting power of the company; or
- IV. Is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- V. Is a material supplier, service provider or customer or a lessor or lessee of the company.
 - Shall possess appropriate skills, experience

and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

- Shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- Who is not less than 21 years of age.

The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more

than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

For & On behalf of Board of Directors

-Sd/-

N. Neelakanda Pillai
Managing Director

-Sd/-

Murali Krishnan
Director

DATE : 08.08.2019

PLACE : CHENNAI

ANNEXURE - D
REMUNIERATION POLICY FOR DIRECTORS,
KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. Introduction

1.1 Southern Latex Limited (SLL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 "Director" means a director appointed to the Board of the Company.

3.2 "Key Managerial Personnel" means

- (i) The Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3“Nomination and Remuneration Committee “means the committee constituted by SLL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 19 of the SEBI (Listing Obligations And Disclosures Requirements) Regulations 2015.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retirement benefits
- (vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the

achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors.

4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For & On behalf of Board of Directors

-Sd/-

N. Neelakanda Pillai
Managing Director

-Sd/-

Murali Krishnan
Director

DATE : 08.08.2019

PLACE : CHENNAI

ANNEXURE - E

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Southern Latex Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Southern Latex Limited (CIN: L25199TN1989PLC017137), (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Company Secretary, officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of and to the extent applicable of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other labour and local laws applicable to the Company as per the representations made by the Management, Viz.
- a. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - b. The Tamil Nadu Shops And Establishments Act, 1947

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings from the date of their implementation.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that, during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, based on the information provided by the Company, its directors, officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Competition laws, Environment laws etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance with Independent Directors and Woman Director. The Board is constituted of Executive and Non Executive Directors and the Key Managerial Persons (KMP) as required by the Act to be appointed, have been appointed except the Chief Financial Officer. There was no change in the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information

and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while there is a system in existence to capture and record the views of dissenting members, in the minutes.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

For **SPAN & Co., Company Secretaries LLP**
Practicing Company Secretaries

Sd/-

SATYAKI PRAHARAJ

Mem No. FCS 6458, CP No.: 10755

Place: Chennai

Date: 8th August 2019

ANNEXURE - 1

To
The Members,
Southern Latex Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and wherever required to ascertain the figures we have relied on the books presented to us as Audited and in respect of compliances of Tax Laws, we relied on the Financial/Statutory Auditors' Report.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For **SPAN & Co., Company Secretaries LLP**
Practicing Company Secretaries

Sd/-

SATYAKI PRAHARAJ

Mem No. FCS 6458, CP No.: 10755

Place: Chennai

Date: 8th August 2019

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF SOUTHERN LATEX LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SOUTHERN LATEX LIMITED** (“the Company”), which comprise the Balance Sheet as at **31/03/2019**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to

considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at **31/03/2019**, and its **Profit and its cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the

Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2019** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2019** 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**".

- (g) With respect to the 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 litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR KANNAN AND ALAMELU
(Chartered Accountants)
Reg No. :009087S

-Sd-

A.B.KANNAN
Partner
M.No. : 203385

Date : 20/05/2019
Place : CHENNAI

“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of SOUTHERN LATEX LIMITED Company limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of SOUTHERN LATEX LIMITED Company Limited

(“The Company”) as of March 31, 2019 in conjunction with our audit of the standalone 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. 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 Companies Act, 2013.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of

the risks 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 on the Company's internal financial controls 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 those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations 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 detected. 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 2016, 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 issues by the Institute of Chartered Accountants of India.

FOR KANNAN AND ALAMELU
(Chartered Accountants)
Reg No. :009087S

-Sd-

A.B.KANNAN
Partner
M.No. : 203385

Date : 20/05/2019
Place : CHENNAI

SOUTHERN LATEX LIMITED
B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI,
GUMMIDIPOONDI - 601201, TAMILNADU.

Note No : 3
Significant Accounting Policies

1. Basis of Accounting

1. The Assessee has Followed Mercantile Basis of accounting
2. The financial statements are prepared on the historical cost convention and in accordance with the Generally Accepted Accounting Principles ('GAAP').
3. The Company follows accrual systems of accounting in the preparation of accounts except where otherwise stated.
4. The company is adopting IND AS in preparation and presentation of the financial statements.

2. Fixed Assets

Fixed Assets are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freights, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working condition for its intended use but net of CENVAT.

3. Depreciation

Depreciation on Fixed Assets has been provided as per Written Down Value Method as per the Useful Lifes prescribed under Schedule II of the Companies Act, 2013.

4. Revenue Recognition

Raw Material And Work in Progress Has been valued At cost And Finished Goods Has Been Valued At Cost or Net Realisable Value Whichever is less.

5. Taxes on Income

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profit of the year at applicable tax rates. Deferred taxes on income reflect the impact of timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.

6. Miscellaneous Expenditure

Miscellaneous expenditure is amortized over the number of years, as prescribed in the provision of Income Tax Act, 1962.

7. System Accounting

The company adopts the accrual concept in the preparation of the accounts.

8. Inflation

Assets and Liabilities are recorded at historical cost at the company. These costs are not adjusted to reflect the changing value in the purchasing power of money.

As Per Audit Report of Even Date
FOR KANNAN AND ALAMELU
(Chartered Accountants)
Reg No. : 009087S

-Sd-

A.B. KANNAN
Partner
M.No. : 203385

Date : 20/05/2019
Place : CHENNAI

ANNEXURE - A

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2019

To,
The Members of
SOUTHERN LATEX LIMITED

We report that:-

SI. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(i)	Fixed Assets	a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets?	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
		b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts?	Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
		c) Whether the title deeds of immovable properties are held in the name of the company? If not, provide the details thereof.	All the title deeds of immovable property are held in the name of the company.
(ii)	Inventory	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account?	No inventories held by the company during the year, Clause not applicable.
(iii)	Loans Secured or Unsecured Granted	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of The Companies Act, 2013? if so,	The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

SI. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
		a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest?	In our opinion and according to the information and explanations given to us the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.
		b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular?	The loans granted are repayable on demand. As informed, the company has not demanded repayment of any such loan during the year, thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.
		c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest?	There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.
(iv)	Loan to director and investment by the company	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
(v)	Public Deposits	In case, the company has accepted deposits, whether the directives Issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have	The company has not accepted any Deposits.

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
		been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	
(vi)	Cost Accounting Records	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained?	The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
(vii)	Statutory Compliance	a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated?	The company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales, tax wealth tax, service tax, custom duty, excise duty. Cess and other statutory dues wherever applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
		b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)	There is no dispute with the revenue authorities regarding any duty or tax payable.

SI. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(viii)	Loan from Banks/ Financial Institution	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and government, lender wise details to be provided)	The company has not defaulted in repayment of dues to financial institution, or a bank.
(ix)	Application of Money Received from Equity or Loan	Whether moneys raised by way of initial public offer or further public offer {including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification? if any, as may be applicable, be reported.	The company has not raised any money by way of initial public offer or further public offer {including debt instruments) and term loans. Hence this clause is not applicable.
(x)	Fraud Reporting	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year? If yes, the nature and the amount involved is to be indicated;	Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.
(xi)	Managerial Remuneration	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
(xii)	Nidhi Company - Compliance with Deposits	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability?	As per information and records available with us The company is not Nidhi Company.

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(xiii)	Related Party Transactions	Whether all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards?	Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
(xiv)	Issue of Share Capital and use of Amount Raised	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act,2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance?	The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under section 42 of Companies Act,2013.
(xv)	Transaction with Director	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with?	The company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	Registration from RBI	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained?	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

FOR KANNAN AND ALAMELU

(Chartered Accountants)

Reg No. : 009087S

-Sd-

A.B. KANNAN

Partner

M.No. : 203385

Date : 20/05/2019

Place : CHENNAI

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT - 601201.

Balance Sheet as on 31st March 2019

(Rs.)

			Particulars	Note No.	As at 31 st March, 2019	As at 31 st March, 2018	
(I)	(1)		ASSETS				
			Non-current Assets				
		a)		Property, Plant and Equipment		6,829,741	7,144,039
		b)		Capital work -in-progress			
		C)		Financial Assets			
			(i)	Loans & Deposits			
						6,829,741	7,144,039
		(2)		Current Assets			
			(a)	Inventories			
			(b)	Financial Assets			
			(i) Trade Receivables	113,610	163,610		
			(ii) Cash & Cash Equivalents	928,244	479,997		
			(iii) Loans & Deposits	43,092,624	43,118,483		
		(c)	Other Non Financial Assets	5,970,441	3,154,421		
				50,104,919	46,916,511		
			Total Assets		56,934,660	54,060,550	
(II)	(1)		Equity & Liabilities				
			Equity				
		(a)		Equity share capital	73,592,000	73,592,000	
		(b)		Other equity	(18,669,120)	(20,532,691)	
					54,922,880	53,059,309	
		(2)		Liabilities			
			(a)	Non-Current Liabilities			
			(i)	Financial Liabilities			
			(i)	Loans & Deposits	1,303,376	704,883	
			(b)	Non current provisions			
		(c)	Deferred tax liability (Net)				
				1,303,376	704,883		
	(3)		Current Liabilities				
		(a)	Financial Liabilities				
			(I) Borrowings				
			(ii) Trade Payables	24,375	34,375		
		(b)	Other Non-Financial Liabilities				
		(c)	Current Provisions	684,029	261,983		
				708,404	296,358		
			Total Equity And Liabilities		56,934,660	54,060,550	

For KANNAN AND ALAMELU

Chartered Accountants
Registration No. 009087S

A B KANNAN

Partner
Membership No. 203385
Chennai, Dated

- Sd/-

N. Neelakanda Pillai
Managing Director
DIN-00084550

- Sd/-

Murali Krishnan
Director
DIN - 05312102

- Sd/-

V.K. Balaji
Director
DIN - 00084412

- Sd/-

Kavitha.C
Company Secretary &
Compliance Officer

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT - 601201.

Statement of Profit and Loss account for the year ended 31st March, 2019 (Rs.)

		Particulars	Note No.	As at 31 st March, 2019	As at 31 st March, 2018
(4)		Continuing Operations			
	a)	Revenue from Operations		-	-
	b)	Other Income		4,646,220	4,646,220
	c)	Other Gain/(Losses)		-	-
		Total Income		4,646,220	4,646,220
(5)		Expenses			
	a)	Cost of Material Consumed			
	b)	Purchase of Stock in Trade			
	c)	Changes in Inventories of Work in progress, Stock in trade and Finished Goods		-	-
	d)	Excise Duty			
	e)	Employee Benefit Expenses		696,167	631,334
	f)	Depreciation and Amortisation Expenses		314,298	382,963
	g)	Impairment of Goodwill and Other Non Current Assets			
	h)	Other Expenses		1,319,321	1,721,177
	i)	Finance Costs			
		Total Expenses		2,329,786	2,735,474
		Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		2,316,434	1,910,746
		Share of net profit of associates and joint ventures accounted for using the equity method			
		Profit before Exceptional Items and Tax		2,316,434	1,910,746
		Exceptional Items			
		Profit before tax from Continuing Operations		2,316,434	1,910,746
		Income tax Expenses			
		- Current tax		452,863	364,093
		- Deferred tax			
		Total Tax Expenses		452,863	364,093
		Profit from Continuing Operation		1,863,571	1,546,653
		Discontinued Operations			
		-Profit from discontinued Operation before Tax			
		-Tax Expenses of discontinued operations			
		Profit from Discontinued Operation		-	-
		Profit for the year		1,863,571	1,546,653
		Earnings per Equity share for profit from continuing operation attribution to owners of value Ind As limited:			
		Basic Earnings Per Share		0.25	0.21
		Diluted Earnings Per Share		0.25	0.21
		Earnings per Equity share for profit from discontinued operation attribution to owners of value Ind As limited:			
		Basic Earnings Per Share		-	-
		Diluted Earnings Per Share		-	-
		Earnings per Equity share for profit from continuing and discontinued operation attribution to owners of value Ind As limited:			
		Basic Earnings Per Share		0.25	0.21
		Diluted Earnings Per Share		0.25	0.21

For KANNAN AND ALAMELU

Chartered Accountants
Registration No. 009087S

A B KANNAN

Partner

Membership No. 203385

- Sd/-

N. Neelakanda Pillai

Managing Director

DIN-00084550

- Sd/-

Murali Krishnan

Director

DIN - 05312102

- Sd/-

V.K. Balaji

Director

DIN - 00084412

- Sd/-

Kavitha.C

Company Secretary &

Compliance Officer

SOUTHERN LATEX LIMITED
CIN - L25199TN1989PLC017137
B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI,

Consolidated statement of cash flows

(Rs.)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
Cash flow from operating activities		
Profit before income tax from Continuing operations	1,910,746	1,725,326
Discontinued operations		
Profit before income tax including discontinued operations	1,910,746	1,725,326
Adjustments for		
Depreciation and amortisation expense	382,963	466,630
Impairment of goodwill and other non-current assets		
Employee share-based payment expense		
Gain on disposal of property, plant and equipment	93,619	
Gain on sale of subsidiary		
Amortisation of government grants		
Gain on sale of investments		
Changes in fair value of financial assets at fair value through profit or loss		
Share of profits of associates and joint ventures		
Unwinding of discount on security deposits		
Changes in fair value of contingent consideration		
Dividend and interest income classified as investing cash flows	(2,990,220)	(2,990,220)
Finance Costs	-	-
Net Exchange differences		
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sales of subsidiary:		
(Increase)/Decrease in trade receivables	-	1,076,199
(Increase) in inventories	-	20,900
(Increase) in trade payables	8,029	(5,851)
(Increase) in other financial assets	(2,490,779)	(4,698,641)
(Increase)/Decrease in other non current assets	359,543	2,116,735
(Increase)/Decrease in other current assets		
(Increase)/Decrease in Provisions	60,072	31,816
(Increase) in employee benefit obligations		
Increase/(Decrease) in derivatives not designated as hedges		
Increase in other current liabilities		
Cash generated from operations	(2,666,027)	(2,257,106)
Income Tax Paid	364,093	328,761
Net Cash inflow from operating activities	(3,030,120)	(2,585,867)
Cash flows from investing activities		
Payment for acquisition of subsidiary, net of cash required		
Payments for property, plant and equipment		
Payments for investment property		
Payments for purchase of investments		
Payments for software development costs		

SOUTHERN LATEX LIMITED
CIN - L25199TN1989PLC017137
B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI,

Consolidated statement of cash flows

(Rs.)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
Loans to employees and related parties		
Receipts of government grants		
Proceeds from sale of subsidiary		
Proceeds from sale of investments		
Proceeds from sale of property, plant and equipment	12,300	
Repayment of loans by employees and related parties		
Distributions received from joint ventures and associates		
Dividends received		
Interest received	2,990,220	2,990,220
Net cash outflow from investing activities	3,002,520	2,990,220
Cash flows from financing activities		
Proceeds from issue of shares		
Proceeds from borrowings		
Share issue costs		
Repayment of borrowings	(105,680)	(175,000)
Finance lease payments		
Transactions with non-controlling interests		
Interest paid		
Net cash inflow (outflow) from financing activities	(105,680)	(175,000)
Net Increase or (decrease) in cash and cash equivalents	(133,280)	229,353
Cash and Cash equivalents at the beginning of the financial year		
Cash and Cash equivalents at beginning of the year	613,277	383,924
Effects of exchange rate changes on cash and cash equivalents		
Cash and Cash equivalents at end of the year	479,997	613,277
Non-cash financing and investing activities		
Acquisition of property, plant and equipment by means of finance lease		
Shares issued for acquisition		
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents	479,997	613,277
Bank overdrafts		
Balances as per statement of cash flows	479,997	613,277

For KANNAN AND ALAMELU

Chartered Accountants
Registration No. 009087S

A B KANNAN

Partner

Membership No. 203385

- Sd/-

N. Neelakanda Pillai

Managing Director

DIN-00084550

- Sd/-

Murali Krishnan

Director

DIN - 05312102

- Sd/-

V.K. Balaji

Director

DIN - 00084412

- Sd/-

Kavitha.C

Company Secretary &

Compliance Officer

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI,

Schedules form part of accounts

I(1)(a)

Property, Plant and Equipment	As at 31 st March, 2019	As at 31 st March, 2018
As per Sub Schedule	6,829,741	7,144,039
	6,829,741	7,144,039

I(1)(b) **Capital work -in-progress**

Nil

Nil

I(1)(c)(I) **Financial Assets**

Nil

Nil

I(2)(a) **Inventories**

Nil

Nil

I(2)(b)(I)

Trade Receivables	As at 31 st March, 2019	As at 31 st March, 2018
Unsecured	113,610	163,610
	113,610	163,610

I(2)(b)(ii)

Cash & Cash Equivalents	As at 31 st March, 2019	As at 31 st March, 2018
Cash on Hand	61,472	186,022
Balance with Banks	866,773	293,975
	928,244	479,997

I(2)(b)(iii)

Loans & Deposits	As at 31 st March, 2019	As at 31 st March, 2018
Security Deposits	750,000	750,000
Other Loans and Advances	42,206,624	42,368,483
CDSL	11,800	-
Baron Minerals	124,200	-
	43,092,624	43,118,483

I(2)(c)

Other Non Financial Assets	As at 31 st March, 2019	As at 31 st March, 2018
Interest Accrued on Investments	5,980,441	2,990,221
Rent Receivable	-	124,200
Salary Advance	(10,000)	40,000
TDS Receivable	-	-
Others - preliminary and pre-operative expenses	-	-
	5,970,441	3,154,421

II(1)(a)

Equity share capital	As at 31st March, 2019	As at 31st March, 2018
Equity Shares of Rs. 10/- each		
<u>Authorised Shares Capital</u>		
Number of shares Authorised	10,000,000	10,000,000
Amount of Shares Authorised	100,000,000	100,000,000
<u>Issued, Subscribed and fully paid up</u>		
Number of Shares Issued, Subscribed and fully paid up	7,359,200	7,359,200
Amount of shares issued, subscribed and fully paid up	73,592,000	73,592,000
	73,592,000	73,592,000

II(1)(b)

Other equity	As at 31st March, 2019	As at 31st March, 2018
Capital Reserves		
Opening	2,036,500	2,036,500
Add: Additions	-	-
Closing Balance	2,036,500	2,036,500
General Reserve		
Opening	6,000,000	6,000,000
Add: Additions		
Closing Balance	6,000,000	6,000,000
Surplus in Statement of Profit and loss		
Opening	(28,569,191)	(30,115,844)
Add: Additions	1,863,571	1,546,653
Closing Balance	(26,705,620)	(28,569,191)
	(18,669,120)	(20,532,691)

II(2)(i)(a)(i)

Loans & Deposits	As at 31st March, 2019	As at 31st March, 2018
Loan from other parties	578,376	379,883
Deposits	125,000	125,000
Loans and advances from related parties	600,000	200,000
	1,303,376	704,883

II(2)(ii)(a)(i)

Trade Payables	As at 31st March, 2019	As at 31st March, 2018
Trade Payables	24,375	34,375
	24,375	34,375

II(2)(ii)(b) Other Non-Financial Liabilities

Nil

Nil

II(2)(ii)(c)

Current Provisions	As at 31st March, 2019	As at 31st March, 2018
Income Tax Provisions	287,263	198,493
Service Tax	4,989	4,989
TDS Payable	39,063	23,101
Salary Payable	140,000	-
General Expenses	38,400	35,400
Other Liabilities	174,314	-
	684,029	261,983

4(a)

Revenue from Operations	As at 31st March, 2019	As at 31st March, 2018
Sale of Products(including Excise Duty)	-	-
Sale of Services	-	-
Other Operating Revenue	-	-
Total revenue from continuing operations	-	-

4(b)

Other Income	As at 31st March, 2019	As at 31st March, 2018
Rental Income	1,656,000	1,656,000
Interest Income	2,990,220	2,990,220
Dividend Income from investments mandatorily measured at fair value through profit or loss	-	-
Dividend income from equity investments designated at fair value through other comprehensive income (i)	-	-
Interest income from financial assets mandatorily measured at fair value through profit and loss	-	-
interest income from financial assets at amortised cost	-	-
Unwinding of discount on security deposits	-	-
Government Grants	-	-
Total Other Income	4,646,220	4,646,220

4 (c)	Other Gain / (Losses)	Nil	Nil
5 (a)	Cost of Material Consumed	Nil	Nil
5 (b)	Purchase of Stock in Trade	Nil	Nil
5 (c)			

Changes in Inventories of Work in progress, Stock in trade and Finished Goods	As at 31st March, 2019	As at 31st March, 2018
Opening Balance		
Work-in-progress	-	-
Finished Goods	-	-
Traded Goods	-	-
Total Opening Balance	-	-
Closing Balance		
Work-in-progress	-	-
Finished Goods	-	-
Traded Goods	-	-
Total Closing Balance	-	-
Total change in inventories of work-in-progress, stock-in-trade and finished goods	-	-

5 (d)	Excise Duty	Nil	Nil
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5 (e)

Employee Benefit Expenses	As at 31st March, 2019	As at 31st March, 2018
Salaries, wages and bonus	696,167	631,334
Contribution to provident fund	-	-
Employee share-based payment expense	-	-
Gratuity	-	-
Leave Compensation	-	-
Post-employment pension benefits	-	-
Post-employment medical benefits	-	-
Staff welfare expenses	-	-
Total Employee benefit expenses	696,167	631,334

5 (f)

Depreciation and Amortisation Expenses	As at 31st March, 2019	As at 31st March, 2018
Depreciation of property, plant and equipment	314,298	382,963
Depreciation on investment properties	-	-
Amortisation of intangible assets	-	-
Total depreciation and amortisation expenses	314,298	382,963

5 (g) Impairment of Goodwill and Other Non Current Assets Nil Nil

5 (h)

Others Expenses	As at 31st March, 2019	As at 31st March, 2018
Power and Fuel	9,200	7,200
Office Maintenance	-	-
Repairs & Maintenance	15,000	198,500
Advertisement Charges	30,828	95,372
Professional /Consultancy Fees	196,324	238,097
ROC Fees	1,200	7,500
Audit Fees	242,700	35,400
Annual Subscription	26,550	52,362
Bank Charges	1,860	11,475
General Expenses	28,265	19,455
Doumentation Charges	-	26,006
Listing and Share Transfer Expenses	304,310	287,500
Loss on Sale of Fixed Asset	-	93,619
Postage & Couriers	74,494	174,249
Directors Charges	240,000	240,000
Rent	60,000	60,000
Rate & Taxes	-	12,200
Printing & Stationery	49,840	46,440
Telephone Expenses	3,000	5,059
Travelling & Conveyance	35,750	31,200
Preliminary & Pre-operative expenses written off	-	79,543
	1,319,321	1,721,177

5 (l) Finance Costs Nil Nil

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