

SOUTHERN LATEX LIMITED

28th ANNUAL REPORT
2016 - 2017

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	Mr. Soubhagya Mohakhud

<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>Secretarial Auditors</u> S Praharaj & Associates Practicing Company Secretaries Flat F1, Geethanjali Apartments 40/41A Raghava Nagar 2nd Street Madipakkam, Chennai 600 091 Ph: +91 44 433 00 145 M: +91 9087 365 365
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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, Tiruvallur District- 601201. Phone : 04119 322334 Email id : southernlatexltd@yahoo.com Website : www.southernlatex.in
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CIN:L25199TN1989PLC017137

Annual General Meeting on 27th September 2017
@ 10.30 A M
@ Sri Mini Kamakodi Thirumana Maligai, Agaththiar Nagar,
Villivakkam, Chennai-600049

<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 Shareholders,

Your Directors have pleasure in presenting the 28th Annual Report on the working of the Company along with the audited Balance Sheet and Profit & Loss Account for the year ended 31st March 2017.

the previous year as Rs. 56.70 lakhs and Rs.13.13 lakhs respectively.

CHANGES IN NATURE OF BUSINESS

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 your company a while ago in the previous years.

FINANCIAL RESULTS

(In Rs.)

Particulars	2016-2017	2015-2016
Total Income	45,86,220	56,70,000
Less : Depreciation	4,66,630	5,68,576
Profit after depreciation but before tax (PBT)	21,91,956	21,90,755
Less : Taxes	3,28,761	0
Net profit / (loss) for the period	13,96,566	13,13,073
No. of Shares	73,59,200	7359200
EPS	0.19	0.18
Proposed Dividend	0	0
Dividend tax	0	0
Balance of Profit Carried to B/S	13,96,566	13,13,073

DIVIDEND

No dividend has been recommended for the year.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

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

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year under review, your company had made a turnover of Rs.45.86 lakhs and resulting Net profit of Rs.13.96 lakhs as compared with

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF AUDIT REPORT

No significant material changes and commitments have occurred between the date of the balance sheet and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/ COURTS / TRIBUNALS

There are no significant and material orders passed by Regulators/Court/Tribunals against the company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure liability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired & economically used.

FUTURE PLAN

The Company is planning to start new business which will present good market protective and for which it has augmented its core team. All development in this aspect shall be placed for the information of the shareholders through the Stock Exchange filing system and the Company website, as and when it happens.

Subsidiaries / Joint Ventures

There are no subsidiaries and Joint venture Companies.

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.

MANAGERIAL REMUNERATION

1. Details of Managerial Remuneration required to be Disclosed in Boards Report as per Section 197(2) of the Companies Act 2013 and read with Rule 5(1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

Name of the Director	Designation	Remuneration Paid in FY 2016-2017 (in Rs)	Remuneration Paid in FY 2015-2016	% increase of remuneration in 2016 as compared to 2015 previous year	Ratio/Times per Median of employee remuneration
V K Balaji	Independent Director	NIL	NIL	N A	NA
N Neelakanda Pillai	Managing Director	NIL	NIL	NA	NA
Muralikrishnan	Independent Director	NIL	NIL	NA	NA
Santhi	Independent Director	NIL	NIL	NA	NA
Mr. Soubhagya Mohakhud	Company Secretary	4 70 000/-	1,20,000/-	NIL	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 remuneration of Managing Director or Whole Time Director

- No of permanent employees on the rolls as on 31st March 2017 is 5.
- The board confirms that the remunerations paid to the directors are as per the remuneration policy.

2. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULE 5(2) And RULE 5 (3) of COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Employed throughout the year and in receipt of remuneration in aggregate of not less than Rs. 1.00 Crore and Two Lakhs per annum

---- None ----

B. Employed for part of the year and in receipt of remuneration of more than Rs. 08 Lakhs and 50 thousand per month

---- None ----

C. If employed throughout the FY or part thereof, was is in receipt of remuneration in excess of that drawn by the Managing Director or WTD or Manager and holds himself or along with his spouse and dependent children, not less than 2% of equity shares of the Company.

---- None ----

RISK MANAGEMENT POLICY

The risk management policy of the company rectifies the risk and controls mitigating factors. The risk identified by the company does not threaten the existence of the company and the Board is taking all steps to minimize the risk.

OTHER LAWS

As per the requirement of the Sexual Harassment

of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under, your Company has constituted an Internal Complaints Committee (ICC).

During the year under review, there were no cases received /filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. That in the preparation of Annual Accounts for the year ending 31st March 2017, the applicable Accounting Standards have been followed and no material departures have been made from the same.
2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for that period.
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the company preventing and detecting fraud and other irregularities.
4. That they have prepared the annual accounts on the 'going concern' basis.
5. The Directors have laid down internal

financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively

6. The Directors had devised proper system to ensure that systems to ensure compliance with the provisions of all applicable laws and those systems are adequate and operating effectively.

DETAILS OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met 5 (Five times) on the following dates during the financial year 2016 -17, on the following dates. The details of such meetings and attendance are provided in the section, Report on Corporate Governance.

Date of Board meeting
30 th April 2016
25 th June 2016
06 th August 2016
31 st October 2016
30 th January 2017

SECRETARIAL STANDARDS

The Company is generally complying with the Secretarial Standards SS1 and SS2 from the date of implementation till the date of this report.

CORPORATE GOVERNANCE:

A report on Corporate Governance, pursuant to clause 27 of SBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015, is annexed hereto and forms

part of this report. A certificate from M/s. Kannan & Alamelu, Chartered Accountants, Statutory Auditors of the Company regarding compliance of conditions of corporate governance stipulated by the stock exchanges is annexed to this report and forms part of this report for all compliances.

ANNUAL RETURN

An extract of Annual Return as on 31st March 2017 pursuant to Section 92 (3) of the Companies Act, 2013 and forming part of the report is attached separately as **Annexure-A**

CODE OF CONDUCT

The Company has adopted a code of conduct for the Board of Directors and senior management of the Company and all of them have affirmed compliance of the same.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In accordance with the Listing obligations and Disclosures Requirements, Regulation 2015. Management Discussion and Analysis Report is annexed hereto and forms part of this report and forms part of this report for all compliances.

AUDIT COMMITTEE

Your company has complied with the provisions of Section 177 of the Companies Act, 2013 as to constitution of Audit Committee with Mr. Muralikrishnan, Mr. N. Neelakanda Pillai and Ms. Santhi are being members of the said committee. Mr. V K Balaji being the Chairman of the committee. The committee met 05 (five) times during the year.

INTERNAL AUDIT

There is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit no major weakness has been noticed in the internal control system.”

DEMONETIZATION:

In a 40 minute long speech, Hon'ble Prime Minister Mr. Narendra Modi announced the demonetization of existing notes of Rs 500 and Rs 1000 during a televised address on Tuesday evening on November 8, 2016 at 08:15 PM.

He announced that the notes of Rs 500 and Rs 1000 "will not be legal tender from midnight tonight" and these will be "just worthless pieces of paper.

We, Southern Latex Limited had no physical cash of Rs. 500 and 1000 notes and not deposited any amount to any Bank.

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 Listings Obligation And Disclosures Requirements, Regulations 2015, 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 and that no complaints were received during the year.

Brief details about the policy are provided in the Corporate Governance Report.

PUBLIC DEPOSIT

The Company has not accepted any deposit from the public during the year under review.

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

The Company has not made any loans and Investments and has not given any guarantees as per the provisions of section 186 of the Companies Act, 2013 during the financial year:-

S.No	Loan/Guarantee/ Investment	Date of Transaction
NIL	NIL	NIL
Name of Company		Amount
NIL		NIL

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.

All Contracts/arrangements/transactions entered by the company during the financial year 2016-17 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contracts/arrangements/transactions with related parties which would be considered material. Details given in the **Annexure-E**

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

The Companies Act, 2013 lays down a mandatory provision wherein every company having

- Net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more or
- Net profit of rupees five crore or more

During any financial year, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. As the said provisions are not applicable to the company, it has not developed and implemented any Corporate Social Responsibility initiatives.

During the year the Company was not covered under said provision and hence the Company has not taken up any activity on this aspect.

FORMAL ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD AND ITS COMMITTEES

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 “**Corporate Governance Report**” to this report.

The following policies relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under 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**

LISTING

The Shares of your company is presently listed in the Bombay Stock Exchange (BSE) and details of listing is provided in the section, Report on Corporate Governance.

DIRECTORS

A. Resignation:

No Director of the Company had resigned from the Board during the year.

B. Appointment:

There is no Change in composition of the Board during the year.

COMPANY SECRETARIES

On 21st December 2015, Mr. Soubhagya Mohakhud has been appointed as a Company Secretary cum Compliance officer of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013 and read with Rules 8 (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and if any amendments there to,.

Mr. Soubhagya Mohakhud (ACS- 31246) is an Associate Member of the Institute of Company Secretaries of India, who possess the requisite qualification as prescribed under the Companies (Appointment and Qualifications of Secretary) Rules, 1988 and was appointed as company secretary cum compliance officer of the Company.

AUDITORS

The Statutory Auditor M/s. Kannan & Alamelu were appointed at the 25th Annual General Meeting held on 18th December 2014 as Statutory Auditor for the period of 4 years which will be ratified by the Members at the ensuing Annual General Meeting.

The Board has appointed M/s S Praharaj & Associates, Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit report for the financial year ended March 31, 2017 is annexed herewith in **Annexure-B**.

AUDITORS REPORT

Auditors had not made any qualification or did not make any adverse remark in their report regarding financial statements. Therefore, there is no need for any clarification or any comment on Auditors report.

The observations mentioned in the Secretarial Audit Report by the Secretarial Auditor are self explanatory.

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.

ENVIRONMENT COMPLIANCE:

India is the seventh largest country in the world by geographical area. While progress in the environmental front is being made, India still faces some major challenges. Despite highly evolved environmental laws and regulations in some areas, many environmental practices such as regulation of air pollutants using model seen in western countries are still at a very rudimentary stage in India. Increased

environmental regulations will likely become a key area of concern in the near future.

The increasing desire of Indian companies to meet world class standards has caused established companies in India to take on sustainable initiatives as a means of improving their global brand and reputation and the environmental sector is expected to be at the forefront of India's evolving story in the coming years.

The Company has already considered the prerequisites of environment compliance long way back and is doing new initiative every year. Some of the major initiatives of regular basis are:

Slogan of the Company “One planet, one earth, one nature which propagates save the earth for better tomorrow”.

By regular training for workers and staff to prevent accident related to mechanical, electrical, chemical, physiological and psychological safety the Company has made Zero incidents as acceptable standard.

The Company has started project to conserve water and energy, minimize generation of waste, minimize carbon foot print and generate pollution prevention awareness throughout the plant and to achieve 100 percent legal compliance.

ACKNOWLEDGEMENT

The Management is grateful to the shareholders, valued customers, bankers and vendors for the continued support and co-operation.

The Director also wishes to place on record their appreciation of the support and co-operation of all employees to enable the company to achieve its growth plans.

On behalf of Board of Directors

-Sd-

N. Neelakanda Pillai
Managing Director

-Sd-

Murali Krishnan
Director

DATE : 12.08.2017.
PLACE: CHENNAI

Annexure - A**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L25199TN1989PLC017137
2	Registration Date	29 th March 1989
3	Name of the Company	Southern Latex Limited
4	Category / Sub-Category of the Company	Public Company, Limited by Shares
5	Address of the Registered office and Contact Details	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601 201. Phone : 04119 322334, Fax: +91-44 2440 5166 website: www.southernlatex.in, email id: southernlatexltd@yahoo.com
6	Whether Listed Company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No	Name & Description of the Main product	NIC code of the Product	% to the total Turnover of the Company
1.	Manufacturing of Rubberised Coir Products	94042910	49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name & Address of the Company	CIN /GLN	Holding/ Subsidiary/ Associate company	% of Shares held	Applicable Section
	NIL	NIL	NA		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (i) Category-wise Share Holding as on 31st March 2017															
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)															
(i) Category-wise Share Holding															
Name of the Company		: SOUTHERN LATEX LIMITED													
Face Value		: 10/-													
Paidup Shares as on 01-Apr-2016		: 7359200													
Paidup Shares as on 31-Mar-2017		: 7359200													
For the Period From Category code	Category of Shareholder	No. of shares held at the beginning of the year						No. of shares held at the end of the year						% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP														
1.	INDIAN														
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
c.	BODIES CORPORATE	1966700	0	1966700	26.7243	1966700	0	1966700	26.7243	0	0	1966700	26.7243		0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
e.	ANY OTHER														
	DIRECTORS AND THEIR RELATIVES	2627444	273920	2901364	39.4249	2423104	34.7663	135420	18.4086	2423104	34.7663	2558524	34.7663		-4.6586
		2627444	273920	2901364	39.4249	2423104	34.7663	135420	18.4086	2423104	34.7663	2558524	34.7663		-4.6586
	SUB - TOTAL (A)(1)	4594144	273920	4868064	66.1493	4389804	61.4907	135420	18.4086	4389804	61.4907	4525224	61.4907		-4.6586
2.	FOREIGN														
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000		0.0000
e.	ANY OTHER														
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0.0000	0	0.0000	0	0	0	0.0000		0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	4594144	273920	4868064	66.1493	4389804	61.4907	135420	18.4086	4389804	61.4907	4525224	61.4907		-4.6586

**Name of the Company :: SOUTHERN LATEX LIMITED,
ii) SHARE HOLDING PROMOTERS**

Sl No	Shareholder's Name	Shareholding at the beginning of the year No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	Shareholding at the end of the year No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in shareholding during the year	FOLIO/DP_CL_ID	PAN	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
1	NORTAN ELECTRICALS PRIVATE LIMITED	1205000	16.3740	0.0000	1205000	16.3740	0.0000	0.0000	'IN30021416562250	AAACN9933E	0	0
2	SANKARA THANUPILLAI MEGANATHAN HAVING SAME PAN	959558	13.0388	0.0000	966858	13.1380	0.0000	0.0991	'IN30021416146937	AACPW5241P	0	0
2 S	MEGANATHAN	0	0.0000	0.0000	10010	0.1360	0.0000	0.1360	'000012398	AACPW5241P	0	0
3 S	MEGANATHAN	500000	6.7942	0.0000	500000	6.7942	0.0000	0.0000	'IN30021416178189	AATHS7131P	0	0
4	KLASSIC INDUSTRIES PRIVATE LIMITED	500000	6.7942	0.0000	500000	6.7942	0.0000	0.0000	'IN30021416494797	AAACK4472H	0	0
5	THANGAM MEGANATHAN	452178	6.1443	0.0000	589378	8.0087	0.0000	1.8643	'IN30021416145318	AAAPT5010F	0	0
6	ABHAY SHANKAR M HAVING SAME PAN	350100	4.7573	0.0000	350100	4.7573	0.0000	0.0000	'IN30021416153323	AHOPA7032M	0	0
6 M	ABHAYSHANKAR	608	0.0082	0.0000	1768	0.0240	0.0000	0.0157	'1204470007412030	AHOPA7032M	0	0
7	HAREESHANKAR M	350000	4.7559	0.0000	0	0.0000	0.0000	-4.7559	'IN30021416184433	ADBPB8451L	0	0
8	RAJALAKSHMI RENEWABLES PRIVATE LIMITED	261700	3.5560	0.0000	261700	3.5560	0.0000	0.0000	'IN30021416555437	AABCS0503N	0	0
9	RAMAKRISHNAN P A	137200	1.8643	0.0000	0	0.0000	0.0000	-1.8643	'00000011		0	0
10	KUMARASAN G	40010	0.5436	0.0000	40010	0.5436	0.0000	0.0000	'000000002		0	0
11	SWAMY	15000	0.2038	0.0000	15000	0.2038	0.0000	0.0000	'000000029		0	0
12	KUMARASWAMY S	15000	0.2038	0.0000	15000	0.2038	0.0000	0.0000	'IN30021416147649	ABAPKS249A	0	0
13	RAGHAVAN T R S	12600	0.1712	0.0000	12600	0.1712	0.0000	0.0000	'000000007	AILPR7089K	0	0
14	NIRMAL JOSEPH J	10010	0.1360	0.0000	0	0.0000	0.0000	-0.1360	'000000003	ACFPJ4990H	0	0
15	ANBALAGAN S	10000	0.1358	0.0000	10000	0.1358	0.0000	0.0000	'000000015		0	0
16	KRISHNAMURTHY SRINIVASAN	10000	0.1358	0.0000	10000	0.1358	0.0000	0.0000	'000000023		0	0
17	SWAMINATHAN	10000	0.1358	0.0000	10000	0.1358	0.0000	0.0000	'000000028		0	0
18	S MEGANATHAN HUF	10000	0.1358	0.0000	10000	0.1358	0.0000	0.0000	'00012352	AATHS7431R	0	0
19	RAMANUJAM R	6300	0.0856	0.0000	5000	0.0679	0.0000	-0.0176	'000000027		0	0
20	HEMA RAMESH	5000	0.0679	0.0000	5000	0.0679	0.0000	0.0000	'000000021		0	0
21	RAGHURAMAN	5000	0.0679	0.0000	5000	0.0679	0.0000	0.0000	'000000025		0	0
22	RAJALAKSHMI S	2500	0.0339	0.0000	2500	0.0339	0.0000	0.0000	'000000026		0	0
23	BOHRA S M	100	0.0013	0.0000	100	0.0013	0.0000	0.0000	'000000004		0	0
24	PADMANABHAN K	100	0.0013	0.0000	100	0.0013	0.0000	0.0000	'000000005		0	0
25	PADMANABHAN V K	100	0.0013	0.0000	100	0.0013	0.0000	0.0000	'000000006		0	0

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

Name of the Company: SOUTHERN LATEX LIMITED

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	NORTAN ELECTRICALS PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2016	1205000	16.3740	1205000	16.3740	'IN30021416562250	AAACN9933E
	At the end of the Year 31-Mar-2017	1205000	16.3740	1205000	16.3740		
2	SANKARA THANUPILLAI MEGANATHAN						
	At the beginning of the year 01-Apr-2016	959558	13.0388	959558	13.0388	'IN30021416146937	AACPM5241P
	Demated 23-Dec-2016	7300	0.0991	966858	13.1380	'00012390	
	At the end of the Year 31-Mar-2017	966858	13.1380	966858	13.1380		
	HAVING SAME PAN						
2	S MEGANATHAN						
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000	'00012398	00
	Purchase 10-Feb-2017	10010	0.1360	10010	0.1360		
	At the end of the Year 31-Mar-2017	10010	0.1360	10010	0.1360		
3	S MEGANATHAN						
	At the beginning of the year 01-Apr-2016	500000	6.7942	500000	6.7942	'IN30021416178189	AATHS7131P
	At the end of the Year 31-Mar-2017	500000	6.7942	500000	6.7942		
4	KLASSIC INDUSTRIES PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2016	500000	6.7942	500000	6.7942	'IN30021416494797	AAACK4472H
	At the end of the Year 31-Mar-2017	500000	6.7942	500000	6.7942		
5	THANGAM MEGANATHAN						
	At the beginning of the year 01-Apr-2016	452178	6.1443	452178	6.1443	'IN30021416145318	AAAPT5010F
	Demated 17-Mar-2017	137200	1.8643	589378	8.0087	'00012393	
	At the end of the Year 31-Mar-2017	589378	8.0087	589378	8.0087		
6	ABHAY SHANKAR M						
	At the beginning of the year 01-Apr-2016	350100	4.7573	350100	4.7573	'IN30021416153323	AHOPA7032M
	At the end of the Year 31-Mar-2017	350100	4.7573	350100	4.7573		
	HAVING SAME PAN						
6	M ABHAYSHANKAR						
	At the beginning of the year 01-Apr-2016	608	0.0082	608	0.0082	'1204470007412030	AHOPA7032M
	Purchase 22-Apr-2016	286	0.0038	894	0.0121		
	Purchase 06-May-2016	850	0.0115	1744	0.0236		
	Purchase 27-May-2016	24	0.0003	1768	0.0240		
	At the end of the Year 31-Mar-2017	1768	0.0240	1768	0.0240		
7	HAREESHANKAR M						
	At the beginning of the year 01-Apr-2016	350000	4.7559	350000	4.7559	'IN30021416184433	ADBPH8451L
	Sale 24-Mar-2017	-350000	4.7559	0	0.0000		
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		
8	RAJALAKSHMI RENEWABLES PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2016	261700	3.5560	261700	3.5560	'IN30021416555437	AABCS0503N
	At the end of the Year 31-Mar-2017	261700	3.5560	261700	3.5560		
9	RAMAKRISHNAN P A						
	At the beginning of the year 01-Apr-2016	137200	1.8643	137200	1.8643	'00000011	
	Sale 30-Sep-2016	-137200	1.8643	0	0.0000		
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		
10	KUMARESAN G						
	At the beginning of the year 01-Apr-2016	40010	0.5436	40010	0.5436	'00000002	
	At the end of the Year 31-Mar-2017	40010	0.5436	40010	0.5436		
11	SWAMY						
	At the beginning of the year 01-Apr-2016	15000	0.2038	15000	0.2038	'00000029	
	At the end of the Year 31-Mar-2017	15000	0.2038	15000	0.2038		
12	KUMARASWAMY S						
	At the beginning of the year 01-Apr-2016	15000	0.2038	15000	0.2038	'IN30021416147649	ABAPK5249A
	At the end of the Year 31-Mar-2017	15000	0.2038	15000	0.2038		
13	RAGHAVAN T R S						
	At the beginning of the year 01-Apr-2016	12600	0.1712	12600	0.1712	'00000007	AILPR7089K
	At the end of the Year 31-Mar-2017	12600	0.1712	12600	0.1712		
14	NIRMAL JOSEPH J						
	At the beginning of the year 01-Apr-2016	10010	0.1360	10010	0.1360	'00000003	ACFPJ4990H
	Sale 10-Feb-2017	-10010	0.1360	0	0.0000		
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		

15	ANBALAGAN S						
	At the beginning of the year 01-Apr-2016	10000	0.1358	10000	0.1358	'00000015	
	At the end of the Year 31-Mar-2017	10000	0.1358	10000	0.1358		
16	KRISHNAMURTHY SRINIVASAN						
	At the beginning of the year 01-Apr-2016	10000	0.1358	10000	0.1358	'00000023	
	At the end of the Year 31-Mar-2017	10000	0.1358	10000	0.1358		
17	SWAMINATHAN						
	At the beginning of the year 01-Apr-2016	10000	0.1358	10000	0.1358	'00000028	
	At the end of the Year 31-Mar-2017	10000	0.1358	10000	0.1358		
18	S MEGANATHAN HUF						
	At the beginning of the year 01-Apr-2016	10000	0.1358	10000	0.1358	'00012352	AATHS7431R
	At the end of the Year 31-Mar-2017	10000	0.1358	10000	0.1358		
19	RAMANUJAM R						
	At the beginning of the year 01-Apr-2016	6300	0.0856	6300	0.0856	'00000027	
	Sale 10-Mar-2017	-1300	0.0176	5000	0.0679		
	At the end of the Year 31-Mar-2017	5000	0.0679	5000	0.0679		
20	HEMA RAMESH						
	At the beginning of the year 01-Apr-2016	5000	0.0679	5000	0.0679	'00000021	
	At the end of the Year 31-Mar-2017	5000	0.0679	5000	0.0679		
21	RAGHURAMAN						
	At the beginning of the year 01-Apr-2016	5000	0.0679	5000	0.0679	'00000025	
	At the end of the Year 31-Mar-2017	5000	0.0679	5000	0.0679		
22	RAJALAKSHMI S						
	At the beginning of the year 01-Apr-2016	2500	0.0339	2500	0.0339	'00000026	
	At the end of the Year 31-Mar-2017	2500	0.0339	2500	0.0339		
23	BOHRA S M						
	At the beginning of the year 01-Apr-2016	100	0.0013	100	0.0013	'00000004	
	At the end of the Year 31-Mar-2017	100	0.0013	100	0.0013		
24	PADMANABHAN K						
	At the beginning of the year 01-Apr-2016	100	0.0013	100	0.0013	'00000005	
	At the end of the Year 31-Mar-2017	100	0.0013	100	0.0013		
25	PADMANABHAN V K						
	At the beginning of the year 01-Apr-2016	100	0.0013	100	0.0013	'00000006	
	At the end of the Year 31-Mar-2017	100	0.0013	100	0.0013		

(iv) Shareholding Pattern of top ten shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the Company : **SOUTHERN LATEX LIMITED**

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	SOUTHERN INDIA DEPOSITORY SVS PVT LTD JT1 : (ACCOUNT KOTHARI PIONEER TAXSHIELD 95)						
	At the beginning of the year 01-Apr-2016	164000	2.2285	164000	2.2285	'00009744	
	At the end of the Year 31-Mar-2017	164000	2.2285	164000	2.2285		
2	MORGAN STANLEY ASSET MANAGEMENT INC JT1 : INDIA SPECIAL SITUATION FUND						
	At the beginning of the year 01-Apr-2016	120800	1.6414	120800	1.6414	'00009549	
	At the end of the Year 31-Mar-2017	120800	1.6414	120800	1.6414		
3	RAO R H						
	At the beginning of the year 01-Apr-2016	68100	0.9253	68100	0.9253	'00010515	
	Demated 02-Dec-2016	-68100	0.9253	0	0.0000	'IN30286310180561	
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		
4	MOHAMED NASSAR JT1 : HAMEEDHA BANU						
	At the beginning of the year 01-Apr-2016	50000	0.6794	50000	0.6794	'00000124	
	At the end of the Year 31-Mar-2017	50000	0.6794	50000	0.6794		
5	MOHAMED SALIM MARICAR JT1 : MEERA HUSSAIN M						
	At the beginning of the year 01-Apr-2016	50000	0.6794	50000	0.6794	'00000125	
	At the end of the Year 31-Mar-2017	50000	0.6794	50000	0.6794		
6	VASANT SHANTILAL SHAH						
	At the beginning of the year 01-Apr-2016	50000	0.6794	50000	0.6794	'00000182	
	Demated 20-May-2016	-50000	0.6794	0	0.0000	'IN30038610212082	
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		
7	KAUSALYA PADMANABHAN						
	At the beginning of the year 01-Apr-2016	40000	0.5435	40000	0.5435	'IN30021417884894	AADPP8096J
	Sale 22-Apr-2016	-40000	0.5435	0	0.0000		
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000		
8	RAVI MEHROTRA						
	At the beginning of the year 01-Apr-2016	32900	0.4470	32900	0.4470	'00010225	
	At the end of the Year 31-Mar-2017	32900	0.4470	32900	0.4470		
9	NATTARAYAN N						
	At the beginning of the year 01-Apr-2016	25600	0.3478	25600	0.3478	'00010914	
	At the end of the Year 31-Mar-2017	25600	0.3478	25600	0.3478		
10	NARASIMHAN IYENGAR JT1 : LATHA IYENGAR						
	At the beginning of the year 01-Apr-2016	24900	0.3383	24900	0.3383	'00000134	
	At the end of the Year 31-Mar-2017	24900	0.3383	24900	0.3383		
	NEW TOP 10 AS ON (31-Mar-2017)						
11	IT VILLAGE COM PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000	'IN30021420247806	AABC12727A
	Purchase 24-Mar-2017	350438	4.7619	350438	4.7619		
	At the end of the Year 31-Mar-2017	350438	4.7619	350438	4.7619		
12	ANITHA RAYAPATI						
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000	'IN30286310408640	ADSPR6242G
	Purchase 24-Mar-2017	68100	0.9253	68100	0.9253		
	At the end of the Year 31-Mar-2017	68100	0.9253	68100	0.9253		
13	POORANI KUMAR						
	At the beginning of the year 01-Apr-2016	10000	0.1358	10000	0.1358	'IN30021410425433	AGPPP6348D
	Purchase 22-Apr-2016	40000	0.5435	50000	0.6794		
	Sale 28-Oct-2016	-10000	0.1358	40000	0.5435		
	Sale 02-Dec-2016	-10000	0.1358	30000	0.4076		
	At the end of the Year 31-Mar-2017	30000	0.4076	30000	0.4076		
	HAVING SAME PAN						

13, POORANI KUMAR						
At the beginning of the year 01-Apr-2016	200	0.0027	200	0.0027	IN30021410346799	AGPPP6348D
Sale 08-Apr-2016	-105	0.0014	95	0.0012		
Sale 15-Apr-2016	-11	0.0001	84	0.0011		
Sale 22-Apr-2016	-5	0.0000	79	0.0010		
Sale 29-Apr-2016	-79	0.0010	0	0.0000		
Purchase 28-Oct-2016	8000	0.1087	8000	0.1087		
Sale 04-Nov-2016	-3948	0.0536	4052	0.0550		
Sale 11-Nov-2016	-420	0.0057	3632	0.0493		
Sale 18-Nov-2016	-15	0.0002	3617	0.0491		
Sale 25-Nov-2016	-20	0.0002	3597	0.0488		
Purchase 02-Dec-2016	9980	0.1356	13577	0.1844		
Sale 09-Dec-2016	-188	0.0025	13389	0.1819		
Sale 16-Dec-2016	-10	0.0001	13379	0.1817		
Sale 06-Jan-2017	-20	0.0002	13359	0.1815		
Sale 13-Jan-2017	-5	0.0000	13354	0.1814		
Sale 20-Jan-2017	-10	0.0001	13344	0.1813		
Sale 03-Feb-2017	-5	0.0000	13339	0.1812		
Sale 10-Feb-2017	-1	0.0000	13338	0.1812		
Sale 24-Mar-2017	-20	0.0002	13318	0.1809		
Sale 31-Mar-2017	-120	0.0016	13198	0.1793		
At the end of the Year 31-Mar-2017	13198	0.1793	13198	0.1793		

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2016		Cumulative Shareholding during the year 31/03/2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	810563	NIL	810563
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	810563	NIL	810563
Change in Indebtedness during the financial year				
Addition	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	810563	NIL	810563
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	810563	NIL	810563

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		WTD	MD	---	----	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL			NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL			NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL			NIL
2.	Stock Option	NIL	NIL			NIL
3.	Sweat Equity	NIL	NIL			NIL
4.	Commission - as % of profit	NIL	NIL			NIL
5.	Others, please specify	NIL	NIL			NIL
	Total (A)		NIL			NIL
	Ceiling as per the Act	NIL				

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Murali Krishnan	SHANTI	VK Balaji	
1	Independent Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL		NIL	NIL
	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act				

C. Remuneration to key Managerial Personnel other than MD /Manager / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary *	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	Soubhagya Mohakhud Rs. 4,70,000/-	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL		NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	4,70,000	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalties/ Punishment/ Compounding fees imposed	Authority (RD)/NCLT/ Court)	Appeals made if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

On behalf of Board of Directors

-Sd-

N. Neelakanda Pillai
Managing Director

-Sd-

Murali Krishnan
Director

DATE : 12.08.2017.

PLACE: CHENNAI

ANNEXURE-B
FORM. No - MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST
MARCH, 2017

[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 2017 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 2017 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, 1992;

(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 1 and forms an integral part of this report

For S Praharaj & Associates

Practicing Company Secretaries

-Sd/-

SATYAKI PRAHARAJ

Mem No. FCS 6458, CP No.: 10755

Place: Chennai

Date: 12th August 2017

ANNEXURE - 1

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 S Praharaj & Associates
Practicing Company Secretaries

-Sd/-

SATYAKI PRAHARAJ
Mem No. FCS 6458, CP No.: 10755

Place: Chennai

Date: 12th August 2017

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

d) 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.

e) 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.

On behalf of Board of Directors

-sd-

N. Neelakanda Pillai
Managing Director

-sd-

Murali Krishnan
Director

DATE : 12.08.2017.
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 measurable 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

4.1.3 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.

On behalf of Board of Directors

-sd-
N. Neelakanda Pillai
Managing Director

-sd-
Murali Krishnan
Director

DATE : 12.08.2017
PLACE: CHENNAI

ANNEXURE E
FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions NOT at arms length basis:

Name of the related party and nature of relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the Contracts / arrangements / transactions including the value, if any	Date of approval by the Board	Amount paid as Advance
NIL	NIL	NIL	NIN	NA	NIL

2. Details of contracts or arrangements or transactions at arms length basis:

Name of the related party and nature of relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the Contracts / arrangements / transactions including the value, if any	Date of approval by the Board	Amount paid as Advance
NIL	NIL	NIL	NIN	NA	NIL

For & On behalf of Board of Directors

Sd/-

N. Neelakanda Pillai
Managing Director

Sd/-

MuraliKrishnan
Director

DATE : 12.08.2017

PLACE: CHENNAI

**REPORT ON CORPORATE
GOVERNANCE FOR THE YEAR ENDED
31ST MARCH 2017**

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:

B. Board of Directors

Composition & Category of Directors as on 31st March 2017 is as follows:

Category	No. of Directors	%
Executive Directors	1	25%
Non- Executive & Independent Directors	3	75%
Total	4	100%

The function, responsibility, role and accountability of the Board are well defined. The Board approves the annual budget. The detail reports of the company's performance are periodically placed before the Board.

The Board met 05 (five times) on the following dates during the financial year 2016-17

Date of Board meeting	Attendance
30 th May 2016	4
25 th June 2016	4
06 th August 2016	4
31 th October 2016	4
30 th January 2017	4

The Company has Executive and Independent directors. None of the Directors on the board is a member on more than 10 committees (as specified in clause 26 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015, with Stock Exchanges) across all the companies in which they are Directors.

The composition of the Board as on 31st March 2017 as well as names and categories of the directors on the board, their attendance at Board Meetings held during the financial year 2016-2017 and also at the last Annual General Meeting were as follows:

Name of Directors	Category	Membership Chairmanship held in committees of other companies	Number of Meeting Attended	Attendance at last AGM
Mr. N. Neelakanda Pillai (DIN 00084550)	Managing Director	-	5	Yes
Mr. V K Balaji (DIN 00084412)	Independent Director	-	5	Yes
Mr. Muralikrishnan (DIN 05312102)	Independent Director	-	5	Yes
Ms. Santhi (DIN 07145742)	Independent Women Director	-	5	Yes

C. Committees of the Board:

The Board of Directors has constituted the following committees with commensurate delegation of powers to discharge affairs of the company on a periodical basis as well as to meet

the business exigencies of the company.

1. Nomination & Remuneration Committee:

Term of reference:

Nomination and Remuneration Policy has been framed by the Board of Directors.

The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees, including Directors and Key Managerial Personnel, appropriate to employees' role and responsibilities and the Company's goals based

on the performance of each of its employees in the Company. For administrative convenience and quicker decisions, the committee was constituted in the line with the provisions of section to the needs.

For the year ended 31st March 2017 the committee met on the following dates:

Date of N&R Meeting	Attendance
18 th June 2016	4
06 th August 2016	4
31 th October 2016	4
30 th January 2017	4

Composition:

Name of Member & Designation	No of Meetings attended
Mr. MuraliKrishnan Chairman	4
Mr. V K Balaji Member	4
Mr. N Neelakanda Pillai Member	4
Ms. Santhi Member	4

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.

2. Audit committee (AC):

a) **Term of reference:** The terms of reference of the AC are in accordance with the provisions of section 177 of the Companies Act, 2013, clause 18 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, and Listing Regulations and it includes the following :

1. To provide direction and to oversee the operations of the audit functions in the company.
2. To review the adequacy of internal control system and internal audit function with special emphasis on their quality and effectiveness.
3. To review half yearly and annual financial results before submission to the Board for approval.
4. To investigate into any matter in relation to the items specified in Section 177 of the companies Act 2013.
5. To have full access to information contained in the records of the company and external professional advice, if necessary.
6. To oversee the company's financial process and the disclosure of its financial information to ensure that the financial statements are true and fair.
7. To discuss with statutory auditors before commencement of audit about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

b) Composition:

The composition of the Committee as on 31st March 2017 as well as their attendance at the Meetings held during the financial year 2016 - 17 as follows:

Name of Member & Designation	No of Meetings attended
Mr. V K Balaji Chairman	5
Mr. MuraliKrishnan Member	5
Mr. N Neelakanda Pillai Member	5
Ms. Santhi Member	5

The audit committee of directors had met during the period under review and the meetings were held on the following dates:

Date of AC Meeting	Attendance
30 th April 2016	4
18 th June 2016	4
06 th August 2016	4
31 st October 2016	4
30 th January 2017	4

All the members of the committee have wide exposure and possess sound knowledge in the area of accounts, finance, audit, internal control etc. Statutory Auditors, Internal Auditor and other dignitaries authorized by the Board, were present in the meetings

All the members on that date, were present at the last Annual General Meeting held on 07th September, 2016.

3. Stakeholders' Relationship Committee:

Terms of reference:

To look into redressal of shareholders'/investors' grievances relating to non-receipt of dividend, non-receipt of balance sheet, transfer, etc.

They periodically reviewed the investors complaints received and redressed. During the year, the said committee met 4 times to review the shareholders'/investors' grievances.

Date of Meeting	Attendance
18 th June 2016	4
06 th August 2016	4
31 th October 2016	4
30 th January 2017	4

B) Composition and Attendance:

The composition of the Committee as on 31st March 2017 as well as their attendance at the Meetings held during the financial year 2016 - 17 as follows:

Name of Member & Designation	No of Meetings attended
Mr. MuraliKrishnan Chairman	4
Mr. V K Balaji Member	4
Mr. N Neelakanda Pillai Member	4
Ms. Santhi Member	4

Name, Designation and address of Compliance Officer:

Mr. Soubhagya Mohakhud
Company Secretary & Compliance officer
Southern Latex Limited,
B-11/W, SIPCOT Industrial Complex,
Gummidipoondi, Tiruvallur District- 601 201

Status of Investors complaints as on March 31, 2017 are as under:

Particulars	Status
Complaints as on April 1, 2016	Nil
Received during the year	3
Resolved during the year	3
Pending as on March 31, 2017	NIL

Compliance / correspondence are usually dealt with within 2 weeks of receipts and are completely resolved except in cases where litigation is involved.

4. Corporate Social Responsibility Committee:

Terms of reference: The CSR Committee aims to ensure that corporate social responsibility with a positive impact on people and communities.

Date of Meetings:

Date of CSR Meeting	Attendance
18 th June 2016	4
06 th August 2016	4
31 th October 2016	4
30 th January 2017	4

Composition:

Name of Member & Designation	No of Meetings attended
Mr. V K Balaji Chairman	4
Mr. MuraliKrishnan Member	4
Mr. N Neelakanda Pillai Member	4
Ms. Santhi Member	4

5. 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.

6. Details of General Body Meeting:

Year	Location	Date	Time
22 nd AGM 2010-11	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601 201	30.09.2011	12.00 P.M
23 rd AGM 2011-12	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601 201	29.09.2012	12.00 P.M
24 th AGM 2012-13	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601 201	20.09.2013	12.00 P.M
25 th AGM 2013-14	Selva Rajeshwari Hall, D K Complex, No.2, Srinivasan Nagar, 1 st Main Road, Villivakkam, Chennai 600099	18.12.2014	10.30 A.M
26 th AGM 2014-15	Sri Mini Kamakodi Thirumana Maligai, Agaththiar Nagar, Villivakkam, Chennai- 600 049	28.12.2015	10.30 A. M
27 th AGM 2015- 16	Sri Mini Kamakodi Thirumana Maligai, Agaththiar Nagar, Villivakkam, Chennai- 600 049	07.09.2016	10.30 A. M

7. Disclosures:

Subsidiary Company & Holding Company: There is no subsidiary company nor holding company.

8. Means of Communication:

a. Quarterly / half yearly & annual results are communicated through newspaper advertisements and press releases.

b. The results are generally published in the News Today / Trinity Mirror for English and Malai Sudar / Makkal Kural for Tamil publications. The financial results, Corporate Governance Report, Shareholding Pattern and other related disclosures are regularly updated in the website of the Company www.southernlatex.in

c. The Management Discussion and Analysis Report for the year 2016-2017 forms part of the Annual Report.

9. General Shareholder Information

AGM: Date, time and venue	27th September 2017 at 10.30 A.M
Date of Book Closure	20 th September 2017 to 27 th September 2017 (both days are inclusive)
Financial Year	1 st April to 31 st March
Tentative dates of Board Meetings for considering the results (2017-2018)	1 st Quarter, 2 nd week of August 2017 2 nd Quarter, last week of October 2017 3 rd Quarter, last week of January 2018 4 th Quarter, last week of April 2018
Your Company's Shares is listed in the following stock exchange	The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Listing fees paid for the financial year 2017-2018
Stock Code & ISIN Number	514454 & INE410M01018
Registrar and Share Transfer Agents	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
Address for correspondence relating to shares and Secretarial materials	Mr. Soubhagya Mohakhud Company Secretary & Compliance officer B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601 201 Email id southernlatexltd@yahoo.com

10. Share Transfer System

The Company has appointed M/s. Cameo Corporate Services Limited as its Registrar & Share Transfer Agent. Shares transfers are processed and approved, subject to receipt of all requisite documents.

As per the provisions of the relevant acts, all transfers are approved for registration within the stipulated period.

A share transfer committee of the Board consisting of a few Directors has been formed to look after the matters relating to the transfer of shares, issue of duplicate share certificates in lieu of mutilated certificates and other related matters.

11. Dematerialization of shares and liquidity:

According to a Notification of the Securities and Exchange Board of India, the equity shares of the company shall be traded compulsorily in demat form by all investors with effect from 24.07.2000. The company had already entered into agreement with the National Securities Depository Limited (NSDL) so as to provide the members an opportunity to hold and trade shares of the Company in electronic form.

As on 31st March 2017, out of total 73,59,200 equity shares of the company 51,01,580 shares representing 69.32% of total shares have been dematerialized. The detailed breakup of shares as on 31st March 2017 is as follows:

Particulars	No of Shares	%
CDSL	50878	0.69%
NSDL	5050702	68.63%
Physical	2257620	30.68%
Total	7359200	100.00%

12. Stock Market Data

Market price data of the Company's shares in the Bombay Stock Exchange:

Month	The Bombay Stock Exchange	
	High (Rs.)	Low(Rs.)
April 2016	7.15	5.71
May 2016	6.46	4.76
June 2016	6.24	4.47
July 2016	8.25	6.45
August 2016	7.08	5.22
September 2016	6.02	4.68
October 2016	6.38	4.67
November 2016	8.29	6.67
December 2016	9.08	8.29
January 2017	9.97	9.08
February 2017	9.87	9.87
March 2017	10.00	9.03

13. Distribution of shareholding as on 31st March 2017**Total Nominal Value:**

Nominal value of each equity share Rs.10 each

Total number of Equity shares: 73,59,200

Type of Shareholder	No. of Shareholder	No. of Share	No. of Share in Demat	% of Holding
Resident	6715	1776750	343350	24.14%
FII	1	120800	NIL	1.64%
NRI	111	334809	12209	4.55%
CORPORATE BODY	31	2402017	2322917	32.64%
MUTUAL FUNDS	4	166300	NIL	2.26%
DIRECTORS & RELATIVES	21	2558524	2423104	34.77%
TOTAL	6883	7359200	5101580	100.00

14. The company has not issued any GDRs/ADRs/Warrants or other instruments, which are pending for conversation.

15. Details Shares held by the Directors as on 31st March 2017

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
Santhi	Non-Executive & Independent Women Director	NIL

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

17. Code for prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of Insider Trading, your Company has formed a comprehensive Code of Conduct for its management and employees in line with the SEBI Insider Trading Guidelines. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and consequent implications on its violations.

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

On behalf of Board of Directors

-Sd-
N. Neelakanda Pillai
Managing Director

DATE : 12.08.2017
PLACE: CHENNAI

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Share holders
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 2017, as stipulated in to clause 27 of SBI (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 Obligations And Disclosure Requirements (LODR) Regulations, 2015.

I further state that such compliance is neither an 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 Accountant
(FR.No.009087S)

-sd-

A.B. Kannan
Partner
Membership No. 203385

Place: Chennai
Date: 12.08.2017

**CERTIFICATION BY
CHIEF EXECUTIVE OFFICER / WHOLETIME 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.

3. 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 there in, if any, of the Management or an 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.

-Sd-

N. Neelakanda Pillai
Managing Director

Place: Chennai

Date: 12.08.2017

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 2017, as envisaged in SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015, with Stock Exchange.

-Sd-

N. Neelakanda Pillai
Managing Director

Place: Chennai

Date: 12.08.2017

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OUTLOOK

OVERVIEW:

In Financial year 2016-17, changing market dynamics require that we design our organization for Growth & Technology should be come core of our business.

The financial year 2015-2016 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 made a turnover of Rs. 45.86 lakhs and resulting Net profit of Rs. 13.96 lakhs as compared with the previous year as Rs. 56.70 lakhs and Rs. 13.13 lakhs 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: 12.08.2017

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF SOUTHERN LATEX LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SOUTHERN LATEX LIMITED**, which comprise the Balance Sheet as at **31st March 2017**, the Statement of Profit and Loss, 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 and financial performance 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 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 **31st March 2017**, and its **Profit** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

This report doesn't include a statement on the

matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

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 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 **31st March 2017** taken on record by the Board of Directors, none of the directors is disqualified as 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 A**".

(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.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For Kannan & Alamelu
Chartered Accountant
(FR.No.009087S)

-sd-

A.B. Kannan
Partner
Membership No. 203385

Place: Chennai
Date: 10.05.2017

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

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 judgement, 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

“Annexure A” 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, 2017 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 amount 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, 2017, 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.

For Kannan & Alamelu

Chartered Accountant

(FR.No.009087S)

-sd-

A.B. Kannan

Partner

Membership No. 203385

Place: Chennai

Date: 10.05.2017

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPPOONDI, THIRUVALLUR DT -601 201

Balance sheet as at 31st March, 2017

		Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
		<u>EQUITY AND LIABILITIES</u>			
1		Shareholders' funds			
	a	Share Capital	1	73,592,000	73,592,000
	b	Reserves and Surplus	2	(22,079,344)	(23,475,910)
	c	Money received against share warrants		-	-
				51,512,656	50,116,090
2		Share application money pending allotment		-	-
3		Non-Current Liabilities			
	a	Long-term borrowings	3	810,563	985,563
	b	Deferred tax liabilities (Net)	4	-	-
	c	Other Long term Liabilities	5	-	-
	d	Long term provisions	6	-	-
				810,563	985,563
4		Current Liabilities			
	a	Short term borrowings	7	-	-
	b	Trade payables	8	26,346	32,197
	c	Other current liabilities	9	4,989	4,989
	d	Short term provisions	10	175,761	165,106
				207,096	202,292
		Total		52,530,315	51,303,945
		<u>ASSETS</u>			
1		Non current assets			
	a	Fixed Assets	11		
	i	Tangible Assets		7,632,921	8,099,551
	ii	Intangible Assets		-	-
	iii	Capital Work-in-progress		-	-
	iv	Intangible assets under development		-	-
				7,632,921	8,099,551
	b	Non current investments	12	-	-
	c	Deferred tax assets (Net)	13	-	-
	d	Long-term loans and advances	14	750,000	750,000
	e	Other non-current assets	15	-	-
				8,382,921	8,849,551
2		Current assets			
	a	Current Investments	16	-	-
	b	Inventories	17	-	20,900
	c	Trade receivables	18	163,610	1,239,809
	d	Cash and cash equivalents	19	592,116	383,924
	e	Short term loans and advances	20	39,877,704	35,179,063
	f	Other current assets	21	3,513,963	5,630,698
				44,147,394	42,454,394
		Total		52,530,315	51,303,945

Significant accounting policies

The accompanying notes are an integral part of the financial statements
Interms of our report attached

For KANNAN AND ALAMELU

Chartered Accountants

Registration No. 009087S

-Sd-**A B Kannan**
PartnerMembership No. 203385
Chennai, Dated 10th May, 2017**-Sd-****N. Neelakanda Pillai**
Managing Director**-Sd-****Murali Krishnan**
Director**-Sd-****V.K.Balaji**
Director**-Sd-****Soubhagya Mohakud**
Company Secretary &
Compliance Officer

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT -601 201

Profit and Loss account for the year ended 31st March, 2017

	Particulars	Note No.	For the year	For the year
			ended 31st March, 2017	ended 31st March, 2016
I	Revenue from operations	22	66,000	1,430,000
II	Other Income	23	4,520,220	4,240,000
III	Total Revenue (I + II)		4,586,220	5,670,000
IV	Expenses:			
	Cost of materials consumed	24	-	-
	Purchase of Stock-in- Trade	25	-	317,000
	Changes in inventories of finished goods, Work-in-progress and Stock-in-Trade	26	20,900	855,000
	Empolyee benefits expenses	27	583,333	602,083
	Finance costs	28	-	-
	Depreciation and amortization expense	29	466,630	568,576
	Other expenses	30	1,790,031	1,705,162
	Total expenses		2,860,894	4,047,821
V	Profit before exceptional and extraordinary items and tax (III - IV)		1,725,326	1,622,179
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		1,725,326	1,622,179
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		1,725,326	1,622,179
X	Tax expenses			
	(1) Current Tax		328,761	309,106
	(2) Deferred Tax		-	-
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		1,396,566	1,313,073
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expenses of discontinuing operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Pofit (Loss) for the period (XI+XIV)		1,396,566	1,313,073
XVI	Earning per equity share:			
	(1) Basic		0.19	0.18
	(2) Diluted		0.19	0.18

Significant accounting policies

The accompanying notes are an integral part of the financial statements
Interms of our report attached

For KANNAN AND ALAMELU

Chartered Accountants

Registration No. 009087S

-Sd-**A B Kannan**

Partner

Membership No. 203385

Chennai, Dated 10th May, 2017

-Sd-**N. Neelakanda Pillai**

Managing Director

-Sd-**Murali Krishnan**

Director

-Sd-**V.K.Balaji**

Director

-Sd-**Soubhagya Mohakhud**Company Secretary &
Compliance Officer

M/S. SOUTHERN LATEX LIMITEDB-11/W, SIPCOT INDUSTRIAL COMPLEX,
GUMMIDIPOONDI, THIRUVALLUR DT -601 201**PART IV - STATEMENTS OF CASH FLOWS**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A. <u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Profit before tax	1,725,326	1,622,179
<i>Adjustment to reconcile profit before tax to cash generated by operating activities</i>		
Depreciation and amortization expense	466,630	568,576
Interest Income	(2,990,220)	(2,800,000)
Rental Income	(1,530,000)	(1,440,000)
Miscellaneous Expenditure	123,155	123,155
(Profit) / Loss on sale of Assets	-	-
Changes in workings capital		
Inventories	20,900	855,000
Trade Receivables	1,076,199	524,183
Liabilities and Provisions	(345,957)	(489,522)
	(1,453,967)	(1,036,429)
Income Taxes Paid	(153,000)	(144,000)
Net Cash Generated from Operating Activities (A)	(1,606,967)	(1,180,429)
B. <u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Sale of Fixed Assets		
Interest Received	2,990,220	2,800,000
Rental Income	1,530,000	1,440,000
Loans and Advances and Other Assets	(2,705,061)	(4,629,132)
Rental Deposit	-	(250,000)
Net cash used in Investing activities (B)	1,815,159	(639,132)
C. <u>CASH FLOW FROM FINANCING ACTIVITIES :</u>		
Net cash flow from Financing activities (C)	-	-
D. <u>Net Increase in cash & cash equivalents (A+B+C)</u>	208,192	(1,819,561)
Cash & Cash equivalents at the beginning of the period (See Note.2)	383,923	2,203,485
Cash & Cash equivalents at the end of the period (See Note.1)	592,115	383,924
Note - 1		
Cash in Hand	311,160	194,745
Balance with Schedule Bank	280,955	189,179
Deposits with Bank		
Cash Flow at the end of the period	592,115	383,924
Note - 2		
Cash in Hand	194,744	1,844,963
Balance with Schedule Bank	189,179	358,522
Deposits with Bank		
Cash Flow at the beginning of the period	383,923	2,203,485

As Per our audit report of even Date

For KANNAN AND ALAMELU

Chartered Accountants

Registration No. 009087S

-Sd-**A B Kannan**

Partner

Membership No. 203385

Chennai, Dated 10th May, 2017

-Sd-**N. Neelakanda Pillai**

Managing Director

-Sd-**Murali Krishnan**

Director

-Sd-**V.K.Balaji**

Director

-Sd-**Soubhagya Mohakud**Company Secretary &
Compliance Officer

**B-11/W, SIPCOT INDUSTRIAL COMPLEX,
GUMMIDIPOONDI, THIRUVALLUR DT -601 201**

Notes forming part of Financial Statements for the year 31st March, 2017

Note 1	Share Capital	As at 31st March, 2017	As at 31st March, 2016
	Equity Shares of Rs. 10/- each		
	Authorised Shares Capital	I	
	Number of shares Authorised	10,000,000	10,000,000
	Amount of Shares Authorised	100,000,000	100,000,000
	Issued, Subscribed and fully paid up	I	
	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
	Total	73,592,000	73,592,000

Note 2	Reserves and Surplus	As at 31st March, 2017	As at 31st March, 2016
	Capital Reserves		
	Opening	2,036,500	2,036,500
	Add: Addition/Deletion	-	-
	Closing	2,036,500	2,036,500
	Other Reserves		
	General Reserve		
	Opening	6,000,000	6,000,000
	Add: Addition/Deletion	-	-
	Closing	6,000,000	6,000,000
	Surplus in Statement of Profit and loss		
	Opening	(31,512,410)	(32,825,483)
	Add: Addition/(Deletion)	1,396,566	1,313,073
	Closing	(30,115,844)	(31,512,410)
	Total	(22,079,344)	(23,475,910)

Note 3	Long-Term-Borrowings	As at 31st March, 2017	As at 31st March, 2016
	From Other Parties		
	Secured	-	-
	Nature of security		
	Unsecured - Vide Note 1	379,883	379,883
	Deposits		
	Secured	-	-
	Nature of security		
	Unsecured - Vide Note 2	125,000	300,000
	Loans and advances from related parties		
	Secured	-	-
	Nature of security		
	Unsecured - Vide Note 3	305,680	305,680
	Total	810,563	985,563

Note 4 **Deferred Tax Liabilities** NIL NIL

Note 5 **Other Long Term Liabilities** NIL NIL

Note 6 **Long Term Provisions** NIL NIL

Note 7 **Short-Term-Borrowings** NIL NIL

Note 8	Trade Payables	As at 31st March, 2017	As at 31st March, 2016
	Acceptances	26,346	32,197
	Other than Acceptance	-	-
	Total	26,346	32,197

Note 9	Other Current Liabilities	As at 31st March, 2017	As at 31st March, 2016
	Other payables	4,989	4,989
	Total	4,989	4,989
	Notes:		
	Other payables		
	Others - General Expenses	4,989	4,989
		4,989	4,989

Note 10	Short Term Provisions	As at 31st March, 2017	As at 31st March, 2016
	Other- Income Tax	175,761	165,106
	Total	175,761	165,106

Note 12 **Non-Current Investments** NIL NIL

Note 13 **Deferred Tax Assets** NIL NIL

Note 14	Long Term Loans and Advances	As at 31st March, 2017	As at 31st March, 2016
	<u>Security deposits</u>		
	Secured considered good	-	-
	Unsecured, considered good	750,000	750,000
	Doubtful	-	-
		750,000	750,000
	Less: Provision for doubtful advances	-	-
		750,000	750,000
		-	-
	Total	750,000	750,000

Note 15 **Other Non-Current Assests** NIL NIL

Note 16 **Current Investments** NIL NIL

Note 17	Inventories	As at 31st March, 2017	As at 31st March, 2016
	a) Raw Materials	-	-
	b) Work-in-progress	-	-
	c) Finished goods	-	-
	d) Stock-in-Trade(in respect of goods acquired for trading)	-	20,900
	e) Stores and spares	-	-
	f) Loose Tools	-	-
	g) Others (specify nature)	-	-
	Total	-	20,900

Cost or Net Realisable value whichever is lower

Note 18	Trade Receivables	As at 31st March, 2017	As at 31st March, 2016
	Other Trade receivables		
	Secured, considered good	-	-
	Unsecured, considered good	163,610	1,239,809
	Doubtful	-	-
		163,610	1,239,809
	Less: Provision for doubtful trade receivables	-	-
		163,610	1,239,809
	Total	163,610	1,239,809

Note 19	Cash and Cash Equivalents	As at 31st March, 2017	As at 31st March, 2016
	(a) Cash on hand	311,160	194,745
	(b) Cheques, drafts on hand	-	-
	(c) Balances with banks		
	(i) In current accounts	280,955	189,179
	(d) Others		
	Total	592,115	383,924
		Specified Bank Notes	Other Denomination Notes
	Closing Cash in Hand as on 08-11-2016	-	57,856
	Add: Permitted Receipts	-	185,000
	Less: Permitted Payments	-	(107,222)
	Less: Amount deposited in Banks	-	-
	Closing cash in Hand as on 30-12-2016	-	135,634

Note 20	Short Term Loans and Advances	As at 31st March, 2017	As at 31st March, 2016
	Advance income tax		
	Other loans and advances (unsecured, including advances to suppliers)	-	-
	Unsecured, considered good	39,877,704	35,179,063
	Doubtful	-	-
		39,877,704	35,179,063
	Less: provision for doubtful deposits	-	-
		39,877,704	35,179,063
	Total	39,877,704	35,179,063

Note 21	Other Current Assets	As at 31st March, 2017	As at 31st March, 2016
	Accruals		
	(i) Interest accrued on deposits	-	-
	Interest accrued on investments	3,310,220	5,320,000
	(iii) Interest accrued on trade receivables	-	-
	Others		
	Rent Receivables	124,200	108,000
	Others - preliminary and pre-operative expenses	79,543	202,698
	Total	3,513,963	5,630,698

Note 22	Revenue from Operations	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Sale of products	66,000	1,430,000
	Sale of services	-	-
	Other operating revenues	-	-
		66,000	1,430,000
	<u>Less: Excise Duty</u>	-	-
	Total	66,000	1,430,000
	<u>Traded goods</u>		
	COIR	66,000	1,430,000
	Total - Sale of traded goods	66,000	1,430,000
	Total - Sale of products	66,000	1,430,000

Note 23	Other Income	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Interest income	2,990,220	2,800,000
	Dividend income:		
	Current investments	-	-
	Other investments	-	-
	Adjustments to the carrying amount of investments-reversal of	-	-
	reduction in the carrying amount of non-current investments	-	-
	Net gain on foreign currency transaction and translation	-	-
	Other non-operating income	1,530,000	1,440,000
	Total	4,520,220	4,240,000
	Notes,		
	<u>1. Interest income comprises:</u>		
	<i>Interest on loans & advances</i>	2,990,220	2,800,000
		2,990,220	2,800,000
	<u>2. Other non-operating income:</u>		
	<i>Rent Received</i>	1,530,000	1,440,000
	<i>Miscellaneous</i>	-	-
		1,530,000	1,440,000

Note 24 **Cost of Raw Material Consumed****NIL****NIL**

Note 25	Purchase of Stock-in-Trade	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Purchase	-	317,000
	Less: Excise & Vat	-	-
		-	317,000
	Notes:		
	Purchase of Coir	-	317,000
		-	317,000

Note 26	Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Inventories at the end of the year		
	Finished goods	-	-
	Work-in-process	-	-
	Stock-in-trade	-	20,900
		-	20,900
	Inventories at the beginning of the year		
	Finished goods	-	-
	Work-in-process	-	-
	Stock-in-trade	20,900	875,900
		20,900	875,900
	Net increase	20,900	855,000

Note 27	Employee Benefit Expenses	For the year ended 31st	For the year ended 31st
	Salaries and bonus	583,333	602,083
	Contribution to provident and other funds		
	Staff welfare expenses	-	-
	Total	583,333	602,083

Note 28 **Finance Cost** **NIL** **NIL**

Note 29	Depreciation and Amortisation	For the year ended 31st	For the year ended 31st
	Depreciation and amortisation for the year on tangible assets	466,630	568,576
	Amortisation of intangible assets	-	-
	Depreciation of investment property	-	-
	Total	466,630	568,576

Note 30	Other Expenses	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Wages	-	28,600
	Power and Fuel	7,200	18,300
	Transport Charges	-	4,120
	Office Maintenance	1,507	92,000
	Repairs & Maintenance	1,920	3,650
	Advertisement Charges	83,967	254,748
	Professional /Consultancy Fees	211,601	166,554
	ROC Fees	6,100	6,100
	Audit Fees	34,350	30,000
	Annual Subscription	51,526	51,526
	Bank Charges	6,712	3,265
	Listing and Share Transfer Expenses	629,049	290,243
	Postage & Couriers	169,823	154,170
	Directors Charges	240,000	240,000
	Rent	60,000	60,000
	Rate & Taxes	48,441	11,231
	Printing & Stationery	75,650	57,000
	Security Charges	-	65,000
	Telephone Expenses	5,450	6,300
	Travelling & Conveyance	33,580	39,200
	Preliminary & Pre-operative expenses written off	123,155	123,155
		1,790,031	1,705,162

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.

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. Inventories

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. Revenue Recognition

Revenue from sale of goods is recognized when

significant risks and rewards in respect of ownership of the products are transferred to customers net of rate difference and discount given.

6. 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.

7. Miscellaneous Expenditure

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

8. System Accounting

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

9. Inflation

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

For Kannan and Alamelu
(Chartered Accountants)
Reg No. :009087S

-Sd/-
A.B.Kannan
Partner
M.No. : 203385

Date : 10/05/2017
Place : Chennai

**Reports under The Companies (Auditor's Report) Order, 2016
(CARO 2016) for the year ended on 31st March 2017**

**To,
The Members of
SOUTHERN LATEX LIMITED**

(1) In Respect of Fixed Assets

(a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, where the records are maintained for group of similar assets and not for each individual assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) All the title deeds of immovable properties are held in the name of the company

(2) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(3) Compliance under section 189 of The Companies Act, 2013

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.

(4) Compliance under section 185 and 186 of The Companies Act, 2013

The company has not granted any loans, guarantees and security and investments, Hence

the need not to comply with the provisions of section 185 and 186 of the Companies Act, 2013.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

The company has not accepted any Deposits.

(6) Maintenance of cost records

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.

(7) Deposit of Statutory Dues

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(8) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, or a bank.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

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.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

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.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

The company has not made any related party transaction in compliance with section 177 and 188 of Companies Act, 2013.

(14) Compliance under section 42 of

Companies Act - 2013 regarding Private placement of Shares or Debentures

The has not made any preferential allotment or private placement of shares or fully or partly convertible debentures provisions relating to section 42 of the Companies Act, 2013

(15) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

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 : 10/05/2017
Place : Chennai

SOUTHERN LATEX LIMITED

CIN: L25199TN1989PLC017137

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

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