

SOUTHERN LATEX LIMITED

**37th ANNUAL REPORT
2025-2026**

Boards of Directors

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

Auditors	Secretaries & Auditor
Balaji and Thulasiraman Chartered Accountants, No 14, Anna Nagar Extn KPN Colony 3rd Street, Tirupur-641601	Span & Co., Company Secretaries LLP Door A, Second Floor, 97, Kundrathur Main Road, Kumananchavadi, Poonamalee, Chennai - 600 056.

Bankers	Registered and Corporate office
Union Bank of India, Triplicane Branch, Chennai - 600005. Indian Bank, Padi Branch, Chennai - 600 058.	Registered Office: B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District - 601201. Corp office: No. 66, New Avadi Road 2nd Floor, S-1, Kurunji Apartments, Chennai 600 010 Tel : +91 44 26601313 Email id : southernlatexltd@yahoo.com Website : www.southernlatex.in

CIN - L25199TN1989PLC017137

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

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2026.

on growth track. The Board will give all efforts to give the shareholders all the value.

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

FINANCIAL RESULTS:

(In Rs.)

Particulars	2025-26	2024-25
Total Income	53,96,325	53,90,220
Less : Expenses	21,38,366	26,46,992
EBITDA	32,57,959	28,85,815
Less: Depreciation	-	1,42,587
Profit after depreciation but before tax(PBT)	32,57,959	27,43,228
Less: Taxes	5,08,242	4,27,944
Net profit/(Loss)for the period	27,49,717	23,15,285
No. of Shares	73,59,200	73,59,200
EPS	0.37	0.31
Proposed Dividend	-	-
Dividend Tax	-	-
Balance of Profit Carried to B/S	27,49,717	23,15,285

OPERATIONS AND STATE OF COMPANY AFFAIRS

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

Your Company is not having any commercial operation or operative income during the year. The Company has retained earnings on which interest is earned. During the year under review, your Company had earned Rs. 53.96 lakh and resulting net profit of Rs. 27.50 lakh as compared with the previous year as Rs. 53.90 lakh and Rs. 23.15 lakh respectively.

Your Directors are exploring all options to bring new business to Company and to make the Company back

DIVIDEND: Owing to conserve the resources of the company, your Directors do not recommend any Dividend for the Financial Year ended at 31st March, 2026.

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

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

TRANSFER TO RESERVE

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

CHANGES IN NATURE OF BUSINESS

There is no significant change in the business activity of the company during the financial year.

CORPORATE GOVERNANCE

As per pursuant to the provision of Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 the Company is Not Required To Comply with the Corporate Governance Provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V.

DETAILS OF SUBSIDIARY

There are no subsidiaries and Joint Ventures Companies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The term of Ms. Santhi (DIN: 07145742), serving the Board as Women Independent Director expired on 31st

March, 2025 and the Board has appointed a Women Independent Director in her place.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors considered and unanimously approved the appointment of Mrs K. Ashitha (DIN: 07233606) as an Additional director and Independent Director of the Company for a term of 5 years effective from 12th August, 2025 to 11th August, 2030.

The appointment of Mrs K. Ashitha was also approved by the shareholders in the Annual General Meeting held on 10th September, 2025.

MANAGERIAL REMUNERATION

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

Name of the Director	Designation	Remuneration Paid in FY 2025-26 (in Rs.)	% increase of remuneration in 2026 as compared to 2025 previous year	Ratio/ Times per Median of employee Remuneration
Mr. N Neelakanda Pillai	Managing Director	NIL	NA	NA
Mr. Balasubramanian S	Independent Director	NIL	NA	NA
Mr. MuraliKrishnan	Director	NIL	NA	NA
Mr. K. Ashitha	Independent Director	NIL	NA	NA
Ms. Kavitha.C	Company Secretary	7,10,000	NA	NIL
Mr. Sreenath B	Chief Financial Officer	NIL	NA	NA

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

- Number of permanent employees on the rolls as on 31st March 2026 is 4.
- The Board confirms that the remuneration when paid to the directors will be in confirmation to the remuneration policy.

CODE OF CONDUCT

The members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct as formulated by the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received from its Independent Directors the necessary declaration that they meet the criteria of Independence as provided.

EVALUATION OF THE BOARD AND ITS COMMITTEE

The Board has made a formal annual evaluation of its own performance and that of its individual directors and

Committees.

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

- Policy relating to selection of Directors appointment- Annexure B
- Remuneration policy for Directors, Key Managerial Personnel and other Employees- Annexure C.

AUDITORS**STATUTORY AUDITORS**

The Statutory Auditors M/s Balaji & Thulasiraman were appointed at the 34th Annual General Meeting held on 27th September, 2023 as Statutory Auditors for a period of 5 consecutive Years commencing from the financial year 2023-24 to 2027-28.

SECRETARIAL AUDITOR

M/S SPAN & Co Company Secretaries LLP, were appointed Secretarial Auditor of the Company for a period of five consecutive years commencing from the Financial year 2025-26 to 2029-30 at the Board Meeting held on 22nd May, 2025 and was also approved by the shareholders in the Annual General Meeting held on 10th September 2025.

Audit reports:

- The Auditors' Report for the Financial Year 2025-26 does contains qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report

Auditor Remarks: According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. The details of such loans are enclosed as Schedule (iii) (f).

Board's Reply: The amount was advanced by way of a demand loan, repayable by the borrowing company as and when the same is demanded by our company. The borrowing company has duly acknowledged, from time to time, the outstanding principal amount as well as the interest payable thereon.

Further, the borrowing company has duly deducted tax at source (TDS) on the interest payable and remitted the same to the Income Tax Department. The corresponding TDS credit has been duly reflected in the tax records of our company and adjusted against its tax liability.

Although the loan was extended as an unsecured loan, the borrowing company has duly acknowledged the outstanding amount and the interest payable thereon. Based on the financial position and circumstances of the borrowing company, our company does not foresee any difficulty in recovery or repayment of the outstanding loan amount.

Auditors Remarks : According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues, the Company has been regular in depositing undisputed statutory dues of The Income Tax and Goods and Service Tax. However we have observed certain statutory dues arrears outstanding as on the last day of the financial year concerned for a period of more than six months the details of which are enclosed in Schedule (vii) (a) of this report.

Boards Reply: The Company has been regular in discharging its statutory liabilities. However, certain income-tax dues pertaining to earlier years have been identified, and the Company is presently evaluating the available options for settling the outstanding amounts. The Company also proposes to take up the matter with the Income Tax Department, as certain revised returns filed for the relevant assessment years are yet to be processed, which may have a bearing on the outstanding tax arrears.

- The Secretarial Auditors' Report for Financial Year 2025-26 contains adverse remark. The Secretarial Auditors' Report is enclosed as Annexure D to the Board's report in this Annual Report.

The Company has not intimated to the Stock Exchange of vacancy arising on completion of the tenure of Mrs. Santhi, Woman Independent Director.

Reply: The Company has appointed Mrs. Santhi as an Independent Director for a term of five years to hold office up to 31st March 2025. As it was not resignation or removal, but end of her tenure, which was already informed at the time of appointment. However we informed the Appointment of the new director to the Stock exchange.

EXTRACT OF THE ANNUAL RETURN:

As required under Section 92 (3) of the Act, the Annual Return is put up on the Company's website. And the weblink is <http://www.southernlatex.in/downloads/AnnualReturns2024-25.pdf>

BOARD OF DIRECTORS:

During the year five Meetings of the Board of Directors were held. The details of the Meetings are furnished below.

The dates on which the said meetings were held are as follows: 22nd May, 2025, 30th July, 2025, 10th November 2025, and 3rd January, 2026.

The Name and Categories of the Directors on the Board their attendance at the Board meeting held during the year and the number of directorships and committee positions held by them during the financial year 2025-26 are as follows:

Sl. No	Name(s) of Director(s)	Executive/ Non-executive/ Independent	Number of Board Meetings during the Year		Whether attended last AGM held on 10th September, 2025	Number of Directorship in other Public Companies		Number of Committee positions in other Public Companies	
			Held	Attended		Member	Chairman	Member	Chairman
1	Mr. Neelakanda Pillai	ED	4	4	Yes	1	Nil	Nil	Nil
2	Mr. Muralikrishnan	NED	4	4	Yes	1	Nil	Nil	Nil
3	Mrs. K. Ashitha	ID/ NED	4	4	Yes	2	Nil	6	Nil
4.	Mr. S. Balasubramanian	ID/NED	4	4	No	1	Nil	Nil	Nil

COMMITTEES OF THE BOARD AND MEETINGS

As on March 31, 2026, the Company has Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

During the year 2018-19 the Board has dissolved the Risk Management Committee and Corporate Social Responsibility Committee as the provisions relating to maintenance of such committees is not applicable to the Company.

A. Audit Committee

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

- Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any, in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any, arising out of auditing findings
- Compliance with listing and legal requirements relating to financial statements, qualifications, if any, in the draft audit report.

- Review of adequacy of internal control systems, internal audit function and discussion on internal audit reports.

- To have full access to information contained in the records of the company and external professional advice, necessary.

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

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

Sl. No.	Name	Designation	Meeting Attended
1	Mr. S. Balasubramanian	Chairman	4
2	Mr. Neelakanda Pillai	Member	4
3	Mrs. K. Ashitha	Member	3

Four Audit Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 22nd May, 2025, 30th July, 2025, 10th November 2025, and 3rd January, 2026.

The necessary quorum was present at all the meetings. All the members of the Committee have wide exposure and possess sound knowledge in the area of Accounts, finance, audit, internal control etc.

B. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration

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

Terms of Reference

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

- Formulate Remuneration Policy and a policy on Board Diversity.
- Formulate criteria for evaluation of Directors and the Board.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

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

During the financial year 2025–26, one meeting was held in 10th November, 2025.

Composition:

Sl. No.	Name(s) of Director (s)	Designation	Meeting Attended
1	Mr. Muralikrishnan	Chairman	1
2	Mr. S Balasubramanian	Member	1
3	Mr. Neelakanda Pillai	Member	1
4	Ms. K. Ashitha	Member	1

During the year concerned, none of the Directors have been paid any remuneration but they have been

reimbursed their actual expenses i.e., Conveyance & Food etc. for attending the Board & other Committee Meetings.

C. Stakeholders Relationship committee:

Terms of Reference

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

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

During the year two meetings were held, 22nd May, 2025 and 10th November, 2025.

Sl. No.	Name(s) of Director (s)	Designation	Meeting Attended
1	Mr. Muralikrishnan	Chairman	2
2	Mr. V.K. Balaji	Member	2
3	Mr. Neelakanda Pillai	Member	2
4	Ms. K. Ashitha	Member	1

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the Annual Financial Statements for the year ended March 31, 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) for the financial year ended March 31, 2026, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2025-2026 and of the Profit of the Company for the financial year ended 31st March, 2026;

- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual financial statements have been prepared on a going concern basis;
- (e) That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

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

The Company has not made any loans or investment and has not given any guarantees as per the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2025-26.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no materially significant transactions with Related Parties during the financial year 2025-26 which were in conflict with the interest of the Company. Accordingly the details in the Form AOC 2 are not applicable.

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

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Board of Directors had approved

the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee.

DEPOSITS

Your Company has not accepted any deposit within the meaning of provisions of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 for the financial year ended 31st March 2026.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

B. FOREIGN EXCHANGE EARNING AND OUTGO

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

Acknowledgments

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

For and on behalf of the Board of Directors

Sd/-	Sd/-
N.Neelakanda Pillai	MuraliKrishnan
Managing Director	Director
DIN-00084550	DIN- 05312102

Place: Chennai

Date: 21-05-26

ANNEXURE A

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

In 2025, the global economy grew at an estimated rate of 3.4%. Even as the world was coping with tariff uncertainties and ongoing geopolitical issues, the conflict in the Middle East has come as the latest in a series of shocks, severely testing the resilience of the global economy. Economies around the world are faced with higher commodity costs, supply chain disruptions, rising inflation and financial market disruptions.

The uncertainty around United States (US) tariffs continues with the recent US Supreme Court ruling invalidating the higher tariffs levied. Shifting of global trade patterns were visible as countries negotiated tariff headwinds. Trade uncertainties drove many countries to move towards finalising trade agreements. However, geo economic fragmentation and geo political risks are increasingly becoming a reality, which the world economy needs to navigate.

On the downside, price increase due to geopolitical tensions, raise interest rate expectations and reduce asset prices. Another medium-term risk is ocean freight delays. These has led to shortages in essential inputs for rubber production, such as natural and synthetic rubber, resulting in higher operational costs for manufacturers. Economic sanctions and trade restrictions have further complicated the export and import of rubber products. Hence, manufacturers are also increasingly seeking alternative sources.

Trends such as global warming, green energy, sustainability and digital adoption will continue to affect countries and industries. Some will be positively impacted by these changes while others will find it challenging.

Overall, the international business is expected to demonstrate resilience and gradual improvement during the FY 2026-27.

INDIAN ECONOMIC OVERVIEW

India remained one of the fastest-growing major

economies, with a growth rate of 7.5% in FY 2025-26. India's economy delivered an outstanding performance in FY 2025- 26, reaffirming its position as the fastest-growing major economy in the world for the fifth consecutive fiscal year. Even as the external environment posed difficulties domestically, the economy was at optimum, with high demand, low inflation and declining interest rates. Robust domestic drivers helped overcome global challenges, including the impact of high US tariffs.

The Rupee depreciated in 2025-26 due to adverse capital flows arising from uncertainties around trade and tariffs. The conflict in West Asia added to the depreciation. Rupee depreciated 10% over the last year and 4% since the conflict began, which will likely contribute to inflation in the economy. Union Budget for financial year 2026 focuses on promoting manufacturing and investment through measures like electronic components manufacturing scheme, support for capital goods manufacturing and tax breaks on building data centres, while maintaining the infrastructure push.

Our overall outlook for the Indian economy remains positive. India is the fastest growing large economy. This impressive performance can be attributed to factors like growing domestic demand, the government's focus on increased capital expenditure, strong manufacturing growth, moderate inflation, a stable interest rate regime and healthy foreign exchange reserves.

In the current scenario of increasing commodity prices, inflation and supply chain disruptions could have a negative impact on the Industry. In addition, we must acknowledge that the aforementioned factors are not the only potential disruptors. Several other developments could create a more challenging business environment like the geopolitical tensions and the war which could also have unforeseen economic consequences. Against this backdrop, the Company is closely monitoring the progress of the war for determining appropriate strategies to be adopted to probable opportunities for the business.

THREATS, RISKS & CONCERNS

In the current scenario of increasing commodity prices, inflation and supply chain disruptions could have a negative impact on the Industry. In addition, we must acknowledge that the aforementioned factors are not the only potential disruptors. Several other developments could create a more challenging business environment like geopolitical tensions which could also have unforeseen economic consequences.

OPERATIONS OVERVIEW:

During the year under review, your Company had earned Rs.55.25 lakh and resulting net profit of Rs.23.50 lakh as compared with the previous year as Rs.53.90 lakh and Rs.23.51 lakh respectively.

The Company is exploring possible ways to revive the business through Strategic partnerships, collaborations and product developments. But the Company is still experiencing sluggishness in the investment and hence the Company is facing difficulties to diversify its operations. But the Company is looking for a strong future ahead and targeting the growth in the coming years.

INTERNAL CONTROL SYSTEMS:

The Company has adequate internal control systems and procedures designed to effectively control the operations.

The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. Audit Committee periodically reviews the functioning of the entire system was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the company.

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.

On behalf of the Board of Directors

Sd/-
N.Neelakanda Pillai
Managing Director
DIN-00084550

Sd/-
MuraliKrishnan
Director
DIN- 05312102

PLACE: CHENNAI
DATE: 21.05.2026

ANNEXURE B

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.

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

4) Policy

- a) Qualifications and criteria

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

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

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

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

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;

- Shall give his written consent to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing obligations And Disclosures Requirements) Regulations 2015 and other relevant laws.

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

b) Criteria of Independence

- 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.
- 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—
 - 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;
 - 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 firm of auditors or company secretaries in practice or cost auditors of the company or its holding subsidiary or associate company; or
 - 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;
 - Holds together with his relatives two percent or more of the total voting power of the company; or
 - is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent 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
 - is a material supplier, service provider or customer or a lesser 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 the Board of Directors

Sd/-
N.Neelakanda Pillai
Managing Director
DIN-00084550

Sd/-
MuraliKrishnan
Director
DIN- 05312102

PLACE: CHENNAI
DATE: 21.05.2026

ANNEXURE C

REMUNERATION 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

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

4.2 Remuneration to Non-Executive Directors.

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

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

4.3 Remuneration to other employees

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

For on behalf of the Board of Directors

Sd/-
N.Neelakanda Pillai
Managing Director

Sd/-
MuraliKrishnan
Director

Place : Chennai
Date : 21-05-26

ANNEXURE D

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[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 2026 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 2026 according to the provisions of and to the extent applicable of:

- (i) The Companies Act, 2013 as amended from time to time (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') to the extent applicable to the Company: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and

(Out of the above, clause (iv) and sub clauses (c) to (h) of clause (v) are not applicable to the Company during the audit period)

(vi) There is no other specific law applicable to the Company as per the representations made by the Management.

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.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The provision related to the Corporate Governance were not applicable to the Company as per Regulation 15(2) of SEBI LODR Regulation, 2015 as its paid up equity share capital did not exceed Rupees Ten Crore and Net-worth did not exceed Rupees Twenty-five Crore, as on the last day of the previous financial year and hence the provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company during the period under review.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent and Women Directors. The Key Managerial Persons (KMPs) as required by the Act to be appointed, have been appointed during the year under review. *The Company has not intimated to the Stock Exchange of vacancy arising on completion of the tenure of Mrs. Santhi, Woman Independent Director.*

During the year under review, the Board of Directors has appointed Mrs. Kesavalu K. Ashitha (DIN: 07233606) as a Woman Independent Director on 12th August 2025 and shareholders have approved the appointment on 10th September 2025 at the 36th Annual General Meeting of the Company. There was no other 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be, while there is a system in existence to capture and record the views of dissenting members, in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

For SPAN & Co., Company Secretaries LLP

Practicing Company Secretaries

FRN: L2016TN009000

Sd/-

SATYAKI PRAHARAJ

Partner

FCS No. 6458, CP No.: 10755

UDIN: F006458H000425921

Peer Review Certificate No.: 1957/2022

dated 25th April, 2022

Place: Chennai

Date: 21st May 2026

Annexure A

To,
The Members,
Southern Latex Limited

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

Management's Responsibility

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors' Responsibility

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 a 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. Wherever 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

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SPAN & Co., Company Secretaries LLP

Practicing Company Secretaries

FRN: L2016TN009000

Sd/-

SATYAKI PRAHARAJ

Partner

FCS No. 6458, CP No.: 10755

UDIN: F006458H000425921

Peer Review Certificate No.: 1957/2022

dated 25th April, 2022

Place: Chennai

Date: 21st May 2026

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF SOUTHERN LATEX LIMITED

Report on the Audit of the Standalone Financial

Statements Opinion

We have audited the accompanying standalone financial statements of **SOUTHERN LATEX LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by

us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone IndAs Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to

the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional

scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (i) Certain debit/credit balances including trade receivables, other current and non-current assets, trade payables, other financial liabilities and other current and non-current liabilities in the Company are pending independent confirmation and consequential reconciliation thereof.
- (ii) The determination of the transactions with MSME vendors and balances thereof, have been done based on the certificate received from the respective parties as available from the system. In absence of complete reconciliation in this respect, completeness of the disclosures in respect of MSME vendors, interest liability thereon as per MSME Act, Income tax computations as such need to be ascertained.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended, 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 Standalone Financial Statements. Refer Note 2.23 to the Standalone Financial Statements.
 - ii. The Company has made provision as required under applicable law or accounting standards for

material foreseeable losses. Refer Note 2.16 to the Standalone Financial Statements. The Company did not have any long-term 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. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 2.12.3 to the Standalone Financial Statements

(a) No final dividend declared by the Company during year, and hence our opinion on compliance of Section 123 of the Act is not applicable.

(b) No interim dividend declared and paid by the Company during the year and until the date of this report and hence our opinion on compliance with Section 123 of the Act is not applicable.

(c) The Board of Directors of the Company have not proposed any final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting and hence our opinion on compliance of section 123 of the Act, is not applicable.

vi. Based on our examination, the Company has not used any accounting software for maintaining its books of account for the financial year ended March 31, 2024. The accounts are being maintained manually and hence, the requirement of commenting on feature of recording audit trail (edit log) facility and the operation of the same throughout the year for all relevant transactions recorded in the software does not arise.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For BALAJI AND THULASIRAMAN
Chartered Accountants
CA.S.Balaji FCA DISA
Partner
Membership No. 202992
FRN No.007262S
UDIN NO. 26202992PMEFTZ5473

Place: Chennai
Date : 21.05.2026

“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Re: SOUTHERN LATEX LIMITED (the “Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b. The Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and based on the examination of records of the company and the registered sale deeds / transfer deeds / conveyance deeds provided to us, We report that the title deeds of all the immovable properties, comprising of land and building, are in the name of the company as at the Balance Sheet date.

d. The Company has not revalued any of its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

e. Based on the information and explanation furnished to us, no proceedings have been initiated on the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made there under.

(ii) a. As there is no inventory held by company at any point of time during the year, the reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

b. During the year, the company has not been sanctioned, any point of time of the year, working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is

not applicable to the Company.

(iii) During the year the Company has made investments in, provided guarantee or security or granted loans and advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties during the year.

a. During the year the Company has provided loans or advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties.

(A) There are no loans or advances and guarantees and securities provided to subsidiaries, joint ventures and associates.

(B) Details of aggregate amount during the year, and balance outstanding at the Balance Sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures are enclosed as Schedule (iii)(a)(A)&(B).

b. According to the information and explanations given to us and on the basis of our examination of the records of the company, the investments made, and the terms and conditions of all loans, and advances in the nature of loans and guarantees provided are not prejudicial to the company’s interest.

c. According to the information and explanations given to us and on the basis of our examination of the records of the company, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated.

d. According to the information and explanations given to us and on the basis of our examination of the records of the company, the schedule of repayment and principal and payment of interest has not been stipulated between the parties, and hence the company represents that no amounts have become overdue. Therefore, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

e. On the basis of our examination of the records of the Company, no loan or advance in the nature of

loan granted which has fallen due during the year, has been renewed or extended or has been settled by granting fresh loans to the same parties.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. The details of such loans are enclosed as Schedule (iii)(f).

(iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.

(v) The Company has not accepted any deposit, within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year hence, the reporting under clause 3(v) of the order is not applicable.

(vi) In our opinion and according to the information and explanations given to us the maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues, the Company has been regular in depositing undisputed statutory dues of The Income Tax and Goods and Service Tax. However we have observed certain statutory dues arrears outstanding as on the last day of the financial year concerned for a period of more than six months the details of which are enclosed in Schedule (vii)(a) of this report.

b. According to the information and explanations given to us, there were no disputed dues on account of Income Tax as at the year end and hence, reporting under clause 3(vii)(b) is not applicable.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as

income during the year.

(ix) a. According to the books and records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. According to the information and explanation given to us and on the basis of our audit procedure, We report that the company has not been declared willful defaulter by any bank or financial institution or other lenders.

c. As the Company has not availed any term loans during the year, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

d. As the Company has not availed any loans on short term basis during the year, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

e. On an overall examination of the financial statements of the company, We report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

f. On an overall examination of the financial statements of the company, We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) a. The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a. To the best of our knowledge and according to the information and explanations given to us and on the basis of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India,

- no fraud by the Company or on the Company was noticed or reported during the year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, no whistle-blower complaints were received by the Company during the year and hence, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) a. The Company is not a Nidhi company and hence, reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, the Company has not entered into any transactions with related parties during the year and hence reporting under clause 3(xiii) of the order is not applicable to the Company.
- (xiv) a. In our opinion and based on our examination, the company has an internal audit system which is commensurate with the size and nature of its business.
- b. We have considered the reports of Internal Auditor of the company issued for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year, Company has not entered into any non-cash transactions with its directors or persons connected with him and accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) is not applicable to the Company.
- (xvii) Based on our examination of books of accounts, the Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and We neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) a. The provision of section 135 are not applicable to the company. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For BALAJI AND THULASIRAMAN
Chartered Accountants
Firm Reg. No. 007262S

S.BALAJI
Membership Number: 202992
UDIN: 26202992PMEFTZ5473

Place : CHENNAI
Date : 21-May-2026

(iii)(a)(A)&(B) - Details of Aggregate amount granted and Balance outstanding

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted / provided during the year, to :				
- Subsidiaries	NIL	NIL	NIL	NIL
- Joint Ventures	NIL	NIL	NIL	NIL
- Associates	NIL	NIL	NIL	NIL
- Others	NIL	NIL	31,91,198.00	NIL
Balance outstanding as at Balance Sheet date				
- Subsidiaries	NIL	NIL	NIL	NIL
- Joint Ventures	NIL	NIL	NIL	NIL
- Associates	NIL	NIL	NIL	NIL
- Others	NIL	NIL	6,38,60,058.00	NIL

(iii)(f) - Details of loan or advances repayable on demand / without specifying condition

Particulars	All parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	NIL	NIL	NIL
- Agreement does not specify any terms or period of repayment (B)	6,38,60,058.00	NIL	NIL
Total (A + B)	6,38,60,058.00	NIL	NIL
Percentage (%) of loans/ advances in nature of loans to the total loans	100%	0%	0%

(vii)(a) - Details of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Income Tax Act, 1961	Income Tax and Interest thereon	64,55,750.00	AY 2011-12	31-Oct-2012		Pending Till date
Income Tax Act, 1961	Income Tax and Interest thereon	50,240.00	AY 2019-20	31-Oct-2020		Pending Till date
Income Tax Act, 1961	Interest	94,017.00	AY 2021-22	31-Oct-2022		Pending Till date
Income Tax Act, 1961	Income Tax and Interest thereon	22,10,132.00	AY 2009-10	31-Oct-2010	06-Mar-2026	Paid Rs.371340 and Balance Pending

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Southern Latex Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of SOUTHERN LATEX LIMITED (the “Company”) as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s Management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements 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 (the “ICAI”). 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 Act.

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements 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 controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend 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 with reference to Standalone Financial Statements.

A company’s internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 ICAI.

Chartered Accountants

CA.S.Balaji FCA DISA

Partner

Membership No. 202992

FRN No.007262S

UDIN NO. 26202992PMEFTZ5473

Place: Chennai

Date : 21.05.2026

Note - 1

Notes to Standalone Financial Statements

Company Background

Southern Latex Limited having the CIN L25199TN1989PLC017137 (the 'Company') is a listed public limited Company incorporated under Companies Act 1956. The Company is not having any Commercial Operation. The Company has rental income and retained earnings on which income is earned.

The registered office of the Company is located at No.B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvalluvar District, Tamilnadu – 601201, India.

The financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 21st May, 2026.

Significant Accounting Policies

1. Basis of preparation of financial statements

(a) Basis of Accounting:

The financial statements have been prepared and presented under the historical cost convention except for following assets and liabilities which have been measured at fair value;

1. Certain Financial Assets and Liabilities (including derivative instruments),

2. Defined Benefit Plans

The Financial Statements are prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest rupee except when otherwise indicated.

(b) Use of Estimates:

In the application of accounting policy, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The few critical estimations and judgments made in applying accounting policies are:

i. Property, Plant and Equipment:

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Specified in Schedule II to the Companies Act, 2013.

ii. Income Taxes:

Significant judgment is required in determining the amount for income tax expenses. There are many transactions and positions for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amount that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iii. The Company does not have any inventories during the financial year 2025-26 and hence not applicable.

iv. Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. Where carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flow are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

v. Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(c) Current/Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

A. An assets treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after a reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after a reporting period.

All other assets are classified as non-current.

B. Liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

C. There have been no need for providing for Deferred Tax Liability. Considering the concept of conservatism, the Company has not provided for any Deferred Tax Asset.

2. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost include purchase price after deducting trade discount / rebate, import duty, non-refundable taxes, cost of replacing the component parts, borrowing cost and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

An item of PPE is derecognized on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is de-recognized.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with Ind AS 105 and the date that the asset is derecognized.

Depreciation is charged so as to allocate the cost of assets less their residual values, if any, over their estimated useful lives, using the written down value method except intangible assets. Depreciation on intangible assets is

provided on straight line basis. The following useful lives are considered for the depreciation of property, plant and equipment:

Description of the Asset	Estimated Useful Life
Furniture & fixtures	10 Years
Buildings	60 Years
Office Equipment	5 Years
Air Conditioner	10 Years
Electricity Fittings	10 Years

If there is an indication that there has been a significant change in useful life or residual value of an asset, the depreciation of that asset is revised accordingly to reflect the new expectations.

The residual values, useful lives and methods of depreciation of properties, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Intangible assets under development:

The amount disclosed as 'Intangible asset under development' represents assets purchased/acquired and not available for use, as at the date of Statement of Financial Position.

An item of Intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from de-recognition of an intangible asset measured as the difference between the net disposals proceeds and the

carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

Impairment of Tangible (PPE) and Intangible Assets:

At each reporting date, property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets where it is not possible to estimate the recoverable amount of an individual asset), is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in Statement of Profit and Loss.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before the revenue is recognized.

Sale of Goods:

Revenue from the sale of goods is recognized when the significant risk and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Sale is recognized when no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Dividend Income:

Dividend is recognized when right to receive is established, which is generally when shareholders approve the dividend.

Interest Income:

Interest income on financial assets measured at amortized cost is recognized on time proportion basis, using effective interest method.

4. Lease Accounting

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease, if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased items (i.e. PPE), are generally capitalized at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance cost in the Statement of Profit and Loss.

Lease in which significant portion of the risks and rewards of ownership are not transferred to the Company as lessee is classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease on straight line basis other than those cases where the escalation are linked to expected general inflation in which case they are charged on contractual terms.

6. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets:

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets of the Company comprise trade receivables. Cash and cash equivalents, bank balances, investment in equity shares of Companies, investment other than in equity shares, loans / advances to employees / related parties / others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. When transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit and Loss and in other cases spread over life of the financial instrument using effective interest method.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial asset measured at amortised cost
- Financial asset at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the

financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss in finance costs.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). On Derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognized in OCI is reclassified to income statements.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of profit and loss.

De-recognition of financial assets

The Company derecognizes a financial asset only when

the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds receivables.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model on the following:

Financial assets that are measured at amortized cost.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

ECL is measured through a loss allowance on a following basis:-

The 12 month expected credit losses (expected credit losses that result from all possible default events on the financial instruments that are possible within 12 months after the reporting date)

Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Financial liabilities and equity instruments:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, accrued expenses and other payables.

Initial Recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognized in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

Subsequent measurement

Subsequent measurement of financial liabilities depends upon the classification as described below: -

Financial Liabilities classified at Amortized Cost:

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost

at the end of subsequent accounting periods. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the Effective Interest Rate. Interest expense that is not capitalized as part of cost of assets is included as Finance costs in the Statement of Profit and Loss.

Financial Liabilities at Fair value through profit and loss (FVTPL)

FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities have not been designated upon initial recognition at FVTPL.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged/cancelled/expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and net amount is reported if there is currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, to realize assets and settle the liabilities simultaneously.

7. Transactions in Foreign Currency

(a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

(b). Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out

of these translations are recognized in the Statement of Profit and Loss.

(c). Forward exchange contracts:

The Company had not entered into any forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company had not entered into any derivative instruments for trading or speculative purposes.

8. Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value (at carrying value) and subsequently measured at amortised cost using the effective interest method, less provision for impairment if require.

9. Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelvemonths of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

B. Post-employment benefits:

(a) Defined contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. There has been no contribution by the Company to any defined contribution plans during the year.

(b) Defined benefit plans : Nil

(c) Provident fund scheme

The Company does not make any monthly contributions towards Employee Provident Fund scheme, for any of its employee(s)

(d) Gratuity scheme

As represented by the Management, the Company has

not provided for any gratuity during the year since none of the employee(s) are eligible to be covered under the provisions of Gratuity Act.

10. Research and Development

No Research and Development Activities carried on by the Company during the year.

11. Provision for Taxation

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realization.

12. Provisions and Contingencies

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

13. Earnings per Share

The Basic and Diluted Earnings per Share ("EPS") is computed by dividing the profit after tax for the year by weighted average number of equity shares outstanding during the year.

14. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as

an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

15. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

16. Government Grants and Subsidies

The Company is not entitled to any subsidy from government authorities in respect of manufacturing units located in specified regions: Grants in the nature of subsidy which are nonrefundable are credited to the Statement of Profit and Loss, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Grants in the nature of subsidy which are refundable are shown as Liabilities in the Balance Sheet.

17. Measurement of EBITDA

The Company has opted to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations.

19. Details of Shareholders holding more than 5% equity shares in the Company

Name of the share holders	As on March 31, 2026		As on March 31, 2025	
	Number of Equity Shares	Percentage of holding	Number of Equity Shares	Percentage of holding
KLASSIC INDUSTRIES PRIVATE LIMITED	3089677	41.98	2739404	37.22
NORTAN ELECTRICALS PRIVATE LIMITED	1735797	23.59	1735797	23.59
Total	4825474	65.57	4475201	60.81

18. Segment Reporting

i) Business Segment

- The business segment has been considered as the primary segment.
- The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- The Company's primary business comprises of manufacturing of knitted garments and trading of fabrics and since it is the only reportable segment as envisaged in Accounting Standard 17. 'Segment Reporting'. Accordingly, no separate disclosure for Segment Reporting to be made in the financial statements of the Company.

ii) Geographical Segment

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments. The company provides products or services only through single establishment. Accordingly, no separate disclosure for Segment Reporting to be made in the financial statements of the Company.

20. Shareholding of the Promoters at the end of the period

Name of the share holders	As on March 31, 2026		As on March 31, 2025	
	Number of Equity Shares	Percentage of holding	Number of Equity Shares	Percentage of holding
KLASSIC INDUSTRIES PRIVATE LIMITED	3089677	41.98	2739404	37.22
NORTAN ELECTRICALS PRIVATE LIMITED	1735797	23.59	1735797	23.59
BOHRA S M	100	0.00014	100	0.00014
PADMANABHAN V K	100	0.0014	100	0.0014
Total	4825674	65.57	4475401	60.81

21. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2025-26, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act.

- (i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to micro and small enterprise Rs. Nil (PY- Nil) and Interest due on above- Nil (PY- Nil)
- (ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period Nil (During 2025-26 Nil)
- (iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without

adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 Nil (During 2025-26 Nil)

- (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year Nil (During 2025-26 Nil)
- (v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises Nil (During 2025-26 Nil)

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

22. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvallur DT - 601 201

Balance Sheet as on 31st March 2026

In Lakhs

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
(I)	ASSETS		
(1)	Non-current Assets		
a)	Property, Plant and Equipment	56.51	56.51
b)	Capital work -in-progress	-	-
C)	Investment Property	-	-
d)	Goodwill	-	-
e)	Other Intangible Assets	-	-
f)	Intangible Assets under development	-	-
g)	Biological Assets other than bearer plants	-	-
h)	Financial Assets	-	-
(i)	Investments	-	-
(ii)	Trade Receivables	-	-
(iii)	Loans	-	-
(iv)	Others	-	-
i)	Deffered Tax Assets (Net)	-	-
j)	Other Non current Assets	-	-
		56.51	56.51
(2)	Current Assets		
(a)	Inventories	-	-
(b)	Financial Assets	-	-
(i)	Investments	-	-
(ii)	Trade Receivables	-	-
(iii)	Cash & Cash Equivalents	3.11	8.47
(iv)	Bank Balances Other than (iii) above	-	-
(v)	Loans	638.60	610.07
(vi)	Others	8.44	7.80
(c)	Current Tax Assets (Net)	-	-
(d)	Other Current Assets	2.16	7.55
		652.31	633.90
		708.82	690.40
	Total Assets		
(II)	Equity & Liabilities		
(1)	Equity		
(a)	Equity share capital	735.92	735.92
(b)	Other equity	(31.27)	(58.77)
		704.65	677.15
(2)	Liabilities		
(i)	Non-Current Liabilities		
(a)	Financial Liabilities	-	-
(i)	Borrowings	-	-
(ii)	Trade Payables	-	-
(iii)	Other Financial Liabilities	-	-
(b)	Provisions	-	-
(c)	Deferred tax liability (Net)	-	-
(d)	Other Non current Liabilities	1.25	1.25
		1.25	1.25

(ii)	Current Liabilities		
(a)	Financial Liabilities	-	-
(i)	Borrowings	-	-
(ii)	Trade Payables	-	-
a)	Total outstanding dues of MSMEs	0.11	0.65
b)	Total outstanding dues of creditors other than MSMEs	0.55	0.97
(iii)	Other Financial Liabilities	-	-
(b)	Current Provisions	1.61	5.50
(c)	Provisions	0.65	4.88
(d)	Current Tax Liabilities (Net)	-	-
		2.92	12.00
	Total Equity And Liabilities	708.82	690.40

Significant accounting policies

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For BALAJI AND THULASIRAMAN

Chartered Accountants
Registration No. 007262S

Sd/-

S.BALAJI FCA DISA

Partner, Membership No. 202992
UDIN - 26202992PMEFTZ5473

Chennai, Dated 21st May, 2026

Sd/-

Murali Krishnan

Director

DIN - 05312102

Sd/-

B Sreenath

Chief Financial Officer

Sd/-

N. Neelakanda Pillai

Managing Director

DIN-00084550

Sd/-

Kavitha. C - CS

Company Secretary & Compliance Officer

M.No. A21268

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvallur DT -601 201

Statement of Profit and Loss account for the year ended 31st March, 2026

In Lakhs

PARTICULARS		For the year ended 31st March, 2026	For the year ended 31st March, 2025
(III)	Continuing Operations		
a)	Revenue from Operations	-	-
b)	Other Income	53.96	53.90
c)	Other Gain/(Losses)	-	-
	Total Income	53.96	53.90
(IV)	Expenses		
a)	Cost of Material Consumed	-	-
b)	Purchase of Stock in Trade	-	-
c)	Changes in Inventories of Work in progress, Stock in trade and Finished Goods	-	-
d)	Excise Duty	-	-
e)	Employee Benefit Expenses	8.14	7.20
f)	Finance Costs	-	-
g)	Depreciation and Amortisation Expenses	-	1.43
h)	Impairment of Goodwill and Other Non Current Assets	-	-
i)	Other Expenses	13.24	17.84
	Total Expenses	21.38	26.47
	Profit before exceptional items, share of net profits of investments accounted for using equity method and tax	32.58	27.43
	Share of net profit of associates and joint ventures accounted for using the equity method		
	Profit before Exceptional Items and Tax	32.58	27.43
	Exceptional Items		
	Profit before tax from Continuing Operations	32.58	27.43
	Income tax Expenses		
	-Current tax	5.08	4.28
	-Deferred tax		
	Total Tax Expenses	5.08	4.28
	Profit from Continuing Operations	27.50	23.15
	Discontinued Operations		
	-Profit from discontinued Operation before Tax		
	-Tax Expenses of discontinued operations		
	Profit from Discontinued Operations		
	Profit for the year	27.50	23.15
	Earnings per Equity share for profit from continuing operation attribution to owners of the Company:		
	Basic Earnings Per Share	0.00	0.00
	Diluted Earnings Per Share	0.00	0.00
	Earnings per Equity share for profit from discontinued operation attribution to owners of the Company:		
	Basic Earnings Per Share	-	-
	Diluted Earnings Per Share	-	-
	Earnings per Equity share for profit from continuing and discontinued operation attribution to owners of the Company:		
	Basic Earnings Per Share	0.00	0.00
	Diluted Earnings Per Share	0.00	0.00

Significant accounting policies

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For BALAJI AND THULASIRAMAN

Chartered Accountants

Registration No. 007262S

Sd/-

S.BALAJI FCA DISA

Partner, Membership No. 202992

UDIN - 26202992PMEFTZ5473

Chennai, Dated 21st May, 2026

Sd/-

Murali Krishnan

Director

DIN - 05312102

Sd/-

B Sreenath

Chief Financial Officer

Sd/-

N. Neelakanda Pillai

Managing Director

DIN-00084550

Sd/-

Kavitha. C - CS

Company Secretary & Compliance Officer

M.No. A21268

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvallur DT -601 201

Consolidated statement of cash flows

In Lakhs

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	32.58	27.43
Profit before income tax including discontinued operations	32.58	27.43
Adjustments for		
Depreciation and amortization expense	-	1.43
Dividend and interest income classified as investing cash flows	(29.90)	(29.90)
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sales of subsidiary:		
(Increase)/Decrease in other financial assets	(29.17)	(15.70)
(Increase)/Decrease in other non current assets	5.39	(2.99)
(Increase)/Decrease in Provisions	(9.08)	1.55
Cash generated from operations	(30.18)	(18.19)
Income Tax Paid	5.08	4.28
Net Cash inflow from operating activities	(35.26)	(22.47)
Cash flows from investing activities		
Interest received	29.90	29.90
Net cash outflow from investing activities	29.90	29.90
Cash flows from financing activities		
Repayment of borrowings	-	-
Net cash inflow (outflow) from financing activities	-	-
Net Increase or (decrease) in cash and cash equivalents	(5.36)	7.44
Cash and Cash equivalents at the beginning of the financial year		
Cash and Cash equivalents at beginning of the year	8.47	1.04
Cash and Cash equivalents at end of the year	3.11	8.47
Non-cash financing and investing activities		
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents	3.11	8.47
Balances as per statement of cash flows	3.11	8.47

Significant accounting policies

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For BALAJI AND THULASIRAMANChartered Accountants
Registration No. 007262S

Sd/-

S.BALAJI FCA DISAPartner, Membership No. 202992
Chennai, Dated 22nd May, 2026
UDIN - 26202992PMEFTZ5473

Sd/-

Murali Krishnan

Director

DIN - 05312102

Sd/-

B Sreenath

Chief Financial Officer

Sd/-

N. Neelakanda Pillai

Managing Director

DIN-00084550

Sd/-

Kavitha. C - CSCompany Secretary & Compliance Officer
M.No. A21268

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvallur DT -601 201

Schedules form part of accounts

In Lakhs

1 Assets			
1	Non Current Assets	As at 31st March, 2026	As at 31st March, 2025
(a)	Property, Plant and Equipment	56.51	56.51
(b)	Capital work-in-progress	-	-
(C)	Investment Property	-	-
(d)	Goodwill	-	-
(e)	Other Intangible assets	-	-
(f)	Intangible assets under development	-	-
(g)	Biological Assets other than bearer plants	-	-
(h)	Financial Assets	-	-
i)	Investments	-	-
ii)	Trade receivable	-	-
iii)	Loans	-	-
iv)	Others	-	-
(i)	Deferred tax assets (net)	-	-
(j)	Other non-current assets	-	-
		56.51	56.51
I(2)(b)(iii)	Cash & Cash Equivalents	As at 31st March, 2026	As at 31st March, 2025
	Cash on Hand	0.00	0.00
	Balance with Banks	3.11	8.47
		3.11	8.47
I(2)(b)(v)	Loans	As at 31st March, 2026	As at 31st March, 2025
	Loans and Advances	638.60	610.07
		638.60	610.07
I(2)(b)(vi)	Others	As at 31st March, 2026	As at 31st March, 2025
	Rental and other Advances	8.44	7.80
		8.44	7.80
I(2)(d)	Other Non Financial Assets	As at 31st March, 2026	As at 31st March, 2025
	Rent Receivable	2.16	2.16
	TDS Receivable	-	5.39
		2.16	7.55

II(1)(a)	Equity share capital	As at 31st March, 2026	As at 31st March, 2025
	Equity Shares of Rs. 10/- each		
	Authorised Share Capital		
	Number of shares Authorised	100.00	100.00
	Amount of Shares Authorised	1,000.00	1,000.00
	Issued, Subscribed and fully paid up		
	Number of Shares Issued, Subscribed and fully paid up	73.59	73.59
	Amount of Shares issued, Subscribed and fully paid up	735.92	735.92
		735.92	735.92
II(1)(b)	Other equity	As at 31st March, 2026	As at 31st March, 2025
	Capital Reserves		
	Opening	20.37	20.37
	Add: Additions	-	-
	Closing Balance	20.37	20.37
	General Reserve		
	Opening	60.00	60.00
	Add: Additions	-	-
	Closing Balance	60.00	60.00
	Surplus in Statement of Profit and loss	60.00	60.00
	Opening	(139.13)	(162.28)
	Add: Additions	27.50	23.15
	Closing Balance	(111.63)	(139.13)
		(31.27)	(58.77)
II(2)(i)(d)	Loans & Deposits	As at 31st March, 2026	As at 31st March, 2025
	Deposits	1.25	1.25
		1.25	1.25
II(2)(ii)(a) (ii)	Trade Payables	As at 31st March, 2026	As at 31st March, 2025
a	Total outstanding dues of MSMEs	0.11	0.65
b	Total outstanding dues of creditors other than MSMEs	0.55	0.97
		0.66	1.62
II(2)(ii)(c)	Provisions	As at 31st March, 2026	As at 31st March, 2025
	Provision for Income Tax	-	4.28
	Audit Fees Provision	0.65	0.60
	Expenses Payable	-	-
		0.65	4.88

II(2)(ii)(b)	Other Current Liabilities	As at 31st March, 2026	As at 31st March, 2025
	Provision for Income Tax		
	Income Tax Payable	0.67	4.38
	TDS Payable	0.59	0.76
	Other Liabilities	0.36	0.36
		1.61	5.50

III(b)	Other Income	As at 31st March, 2026	As at 31st March, 2025
	Rental Income	24.00	24.00
	Interest Income	29.90	29.90
	Interest on Income Tax Refund	0.06	-
		53.96	53.90

IV(e)	Employee Benefit Expenses	As at 31st March, 2026	As at 31st March, 2025
	Salaries, wages and bonus	7.90	7.20
	Staff Welfare Expenses	0.24	-
		8.14	7.20

IV(g)	Depreciation and Amortization Expenses	As at 31st March, 2026	As at 31st March, 2025
	Depreciation of property, plant and equipment	-	1.43
	Depreciation on investment properties	-	-
	Amortization of intangible assets	-	-
	Total depreciation and amortization expenses	-	1.43

IV(h)	Others Expenses	As at 31st March, 2026	As at 31st March, 2025
	Advertisement Charges	-	0.40
	Audit Fees	0.71	0.60
	Internal Audit Fees	0.30	0.15
	Secretarial Audit Fees	1.25	-
	Professional /Consultancy Fees	2.87	8.36
	Service Charge - Cameo	0.65	-
	Share Monitoring Charges	0.16	-
	Bombay Stock Exchange Expenses	3.84	-
	Annual Custody Fees	0.53	0.45
	Bank Charges	0.00	0.00
	Maintenance Charges	1.34	6.61
	Notice Publishing Expenses	0.83	-
	Postage & Couriers	0.20	-
	Printing & Stationery	0.12	-
	Statutory Charges	0.44	0.41
	Filing Expenses	-	0.60
	Listing and Share Transfer Expenses	-	0.01
	Interest on Income Tax	-	0.25
		13.24	17.84

SOUTHERN LATEX LIMITED

CIN - L25199TN1989PLC017137

B-11/W, Sipcot Industrial Complex, Gummidipoondi, Thiruvallur DT -601 201

FY 2025-2026

Amount in Lakhs

Fixed Assets	Lease hold land	Free hold land	Factory Building	Electrical Installation	Total
<u>Year ended 31st March 2025</u>					
Gross Carrying amount					
Deemed cost as at 1st April 2025	3.06	49.77	107.16	14.37	174.37
Exchange differences	-	-	-	-	-
Additions	-	-	-	-	-
Assets included in a disposal group classified as held for sale	-	-	-	-	-
Disposals	-	-	-	-	-
Closing gross carrying amount	3.06	49.77	107.16	14.37	174.37
Accumulated depreciation	-	-	100.64	14.37	115.01
Depreciation charge during the year	-	-	-	-	-
Assets included in a disposal group classified as held for sale	-	-	-	-	-
Disposals	-	-	-	-	-
Exchange differences	-	-	-	-	-
Closing Accumulated Depreciation	-	-	100.64	14.37	115.01
Net carrying amount	3.06	49.77	6.53	-	59.36
<u>Year ended 31st March 2026</u>					
Opening gross carrying amount	3.06	49.77	107.16	14.37	174.37
Exchange differences	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-
Additions	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
Closing gross carrying amount	3.06	49.77	107.16	14.37	174.37
Accumulated depreciation and impairment					
Opening accumulated depreciation	-	-	103.49	14.37	117.86
Depreciation charge during the year	-	-	-	-	-
Impairment Loss	-	-	-	-	-
Disposals	-	-	-	-	-
Exchange Differences	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-
Closing accumulated depreciation and impairment	-	-	103.49	14.37	117.86
Net Carrying amount	3.06	49.77	3.67	-	56.51

Disclosure Regarding analytical ratios:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	223.40	52.82	170.57	Reduction in current Liabilities
Debt-equity ratio	Total Debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Earnings available for debt service	Debt Service	-	-	-	
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.04	0.03	0.01	No major Variations
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	-	-	-	
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	-	-	-	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	-	-	-	
Net capital turnover ratio	Net Sales	Average Working Capital	0.08	0.09	(0.00)	
Net profit ratio	Net Profit	Net Sales	0.51	0.43	0.08	
Return on capital employed	Earning before interest and taxes	Capital Employed	0.05	0.04	0.01	
Return on investment	Income generated from invested funds	Time weighted average invested funds in investments	-	-	-	