

STANDARD SURFACTANTS LTD.

Annual Report

2010-2011

Standard

STANDARD SURFACTANTS LTD.

STANDARD SURFACTANTS LTD.

BOARD OF DIRECTORS : Shri PAWAN KUMAR GARG, *Chairman & Managing Director*
Shri ATUL KUMAR GARG, *M. Com.*
Shri PURSHOTTAM DAS GARG, *F. C. A.*
Shri ANKUR GARG, *C. A.*
Shri SUBHASH CHANDRA CHUGH
Shri ABHISHEK MEHROTRA

COMPANY SECRETARY : Mr. MANINDER KUMAR JHA

AUDITORS : M/S. MITTAL GUPTA & Co.
Chartered Accountants
KANPUR

BANKERS : STATE BANK OF INDIA
KANPUR

REGISTERED OFFICE : 8/15, ARYA NAGAR
KANPUR - 208 002 (U.P.)
PHONES : (0512) 2531762
FAX : 91-512-2548585
E-MAIL : headoffice@standardsurfactants.com

WORKS : (I) 252, 268 VILLAGE - UMRAN
POST - AKBARPUR, RANIA
KANPUR DEHAT (U.P.)
(II) 24-A, 24-B, NEW SECTOR
INDUSTRIAL AREA, MANDIDEEP
RAISEN (M.P.)
(III) PLOT NO. 114,
GONDPUR INDUSTRIAL AREA,
PAONTA SAHIB, (H.P.)

REGISTRAR & TRANSFER AGENT : M/s. SKYLINE FINANCIAL SERVICES PVT. LTD.
D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA
PHASE-I,
NEW DELHI - 110065

TWENTY SECOND ANNUAL REPORT

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Standard Surfactants Ltd. will be held on Thursday, the 29th December, 2011 at the Registered office of the Company at 8/15 Arya Nagar, Kanpur, at 11.30 A.M to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Subhash Chandra Chugh, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr. Ankur Garg, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint auditors and fix their remuneration, M/s Mittal Gupta & Company, Chartered Accountants, Kanpur, are the retiring Auditors at this Annual General Meeting and are eligible for reappointment.

SPECIAL BUSINESS :

5. To consider and, if thought fit, to pass with or without modification(s) following Resolution as on Ordinary Resolution.

RESOLVED THAT pursuant to the provision of the Sections 198, 269, 310 and 311 of the Companies Act, 1956 and all other applicable provisions if any of the said Act read with of provision of Schedule XIII to the Companies Act, 1956 Mr. Pawan Kumar Garg, Chairman and Managing Director be and is hereby reappointed as Chairman and Managing Director of the Company for a further period of Five years w.e.f 31.12.2012 to 30.12.2017 on the following terms and conditions:

1. Salary Rs. 1,00,000/- per month
2. Tenure of appointment 30.12.2012 to 30.12.2017
3. Perquisites: As per rules of the Company

RESOLVED FURTHER THAT in case of absence or inadequacy of profits in any financial year the above remuneration shall be deemed to be minimum remuneration in terms of Section 269 read with schedule XIII to Companies Act, 1956.

6. To consider and, if thought fit, to pass with or without modification(s) following Resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provision of the Sections 198, 269, 310 and 311 of the Companies Act, 1956 and all other applicable provisions if any of the said Act read with of provision of Schedule XIII to the Companies Act, 1956 Mr. Atul Kumar Garg, Whole time Director be and is hereby reappointed as Whole Time Director of the Company for a further period of Five w.e.f 31.12.2012 to 30.12.2017 on the following terms and conditions:

1. Salary Rs. 1,00,000/- per month
2. Tenure of appointment 31.12.2012 to 30.12.2017
3. Perquisites: As per rules of the Company

RESOLVED FURTHER THAT in case of absence or inadequacy of profits in any financial year the above remuneration shall be deemed to be minimum remuneration in terms of Section 269 read with schedule XIII to the Companies Act, 1956.

By order of the Board
For STANDARD SURFACTANTS LTD.

Place: Kanpur
Date : 28.11.2011

PAWAN KUMAR GARG
Chairman & Managing Director

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and such a proxy need not be a member of the Company. Instrument of proxies in order to be effective must be lodged with the Company's registered office not less than Forty-Eight hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 22nd December, 2011 to Thursday, 29th December, 2011 (both days inclusive).
3. Explanatory Statement in accordance with Section 173 of the Companies Act, 1956 in respect of Item No. 5 and 6 is annexed hereto and forms part of this notice.
4. The Company is concerned about the environment and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India, vide its circulars Nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011, respectively, has

allowed companies to send official documents to their shareholders electronically as part of its "Green Initiative in Corporate Governance".

Recognizing the spirit of circular issued by the MCA, the Company henceforth propose to send documents like Notice convening the general meetings, Directors' Report, Auditors' Report, Financial Statements etc to the email address provided by Members with their depositories.

The Company request the Members to expeditiously update their email address with their respective

depository participant to ensure the annual report and other documents reach them on their preferred email.

Those member who have shares in physical form are requested to expeditiously inform their email address to the Company at 8/15 AryaNagar, Kanpur-208002, Tel.: +91- 0512- 2531762 Fax: +91- 0512- 2548585 Email: headoffice@standardsurfactants.com or the Company's Registrar and Share Transfer Agent, The Skyline Financial Services Pvt. Ltd., D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Tel. no. 011-26812682-83, Fax No.: 011-30857562

ANNEXURE-1

EXPLANATORY STATEMENT

(Pursuant to Provisions of Section 173 of the Companies Act, 1956)

Item No. 5

The tenure of Mr. Pawan Kumar Garg, Chairman and Managing Director of the Company, expires on 30.12.2012. The Board of Directors of the Company has proposed to reappoint him as Chairman & Managing Director of the Company for a further period of Five years w.e.f. 31.12.2012 to 30.12.2017 on such terms and condition as provided in the resolution under consideration. Your Directors therefore, recommend the Resolution under item no.5 to be passed as an Ordinarily Resolution.

None of the Directors of the Company except Mr. Pawan Kumar Garg, Mr. Atul Kumar Garg and Ankur Garg is interested either directly or indirectly in the resolution.

Item No. 6

The tenure of Mr. Atul Kumar Garg, Whole-time Director

of the Company, expires on 30.12.2012. The Board of Directors of the Company has proposed to reappoint him as Whole Time Director of the Company for a further period of Five years w.e.f. 31.12.2012 to 30.12.2017 on such terms and condition as provided in the resolution under consideration. Your Directors therefore, recommend the Resolution under item no.6 to be passed as an Ordinarily Resolution.

None of the Directors of the Company except Mr. Pawan Kumar Garg, Mr. Atul Kumar Garg and Ankur Garg is interested either directly or indirectly in the resolution.

By order of the Board
For STANDARD SURFACTANTS LTD.

Place: Kanpur
Date : 28.11.2011

PAWAN KUMAR GARG
Chairman & Managing Director

TWENTY SECOND ANNUAL REPORT

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors present the Twenty Second Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

	Current year ended on 31.03.2011	(Rs. in Lacs) Previous Year ended on 31.03.2010
Gross Sales	5461.33	4927.58
Less : Excise Duty	1022.87	693.41
Net Sales	4438.46	4234.17
Other Income	100.94	275.12
Profit before Interest and depreciation	187.69	295.05
Interest	112.25	100.29
Depreciation	62.93	131.13
Profit/(Loss) before tax	12.51	63.62
Provision for taxation	2.58	10.78
Net Profit/ (Loss)	9.93	52.84
Balance brought forward from previous year period	435.86	383.02
Balance available for appropriation	416.32	435.86

Operational Review

Sales Increased from Rs.5461.33. Lacs to Rs.4927.58 Lacs in the previous year. However, Profit before tax decreased to Rs. 12.51 Lacs during the year from Rs.63.62 Lacs in the previous year.

Interest expenses for the year increased by 11.92% percent to 112.25 Lacs from Rs. 100.29 Lacs in the previous year.

Depreciation was at Rs.62.93 Lacs as against Rs.131.13 Lacs in the previous year.

Dividend

Your Directors do not recommend any dividend for the year under review considering the fund requirement for future business expansion.

Public Deposits

The Company has not accepted any deposits from the public by invitation during the year.

Human Resources

Our Vision and values form the basis of our attitudes and actions. Mutual trust and respect are essential for successful cooperation, which your company demonstrates in all its dealings. By building high levels of commitments and creating a passion for excellence the sustainable progress of your Company is brought about through its people.

Auditors

M/s Mittal Gupta & Co., Chartered Accountants as Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

Auditor's Report

The Comments made in the Auditor's Report are self explanatory and need no further elucidation.

Directors

Mr. Subhash Chandra Chugh and Mr. Ankur Garg are retiring by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. Mr. Satya Prakash Tayal resigned from the Board of Directors of the Company w.e.f 29.01.2011

Director's Responsibility Statement

In accordance with the provision of Sec. 217 (2AA) of the Companies Act, 1956 your Directors state:

- (i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- (ii) That your Directors have selected such accounting policies & applied them consistently and made judgement and estimates that are reasonable so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for the period.
- (iii) That your Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your company & for preventing and detecting fraud or other irregularities.
- (iv) That the Annual accounts have been prepared on a going concern basis.

Cost Auditors

As per the requirement of the Central Government and pursuant to Section 213 B of the Companies Act, 1956 the Company carries out an audit of Cost accounts relating to our products every year. Subject to the approval of the Central Government, the company has reappointed M/s Rishi Mohan Bansal, Cost Accountants, as the Cost Auditors of the Company for the year 2011.

Corporate Governance

Your Company has always endeavored to adhere to high standards of Corporate Governance and ensured its compliance in both spirit and law. As per the requirements of the Listing Agreement entered into with Stock Exchanges, a report on Corporate Governance together with the certificate from M/s Sarvesh S. Srivastava, Practicing Company Secretary, confirming the compliance of the Corporate Governance is attached to this report for information of the Members.

Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo

The particulars relating to the Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo

as required u/s 217 (1) (e) of the Companies Act, 1956 are enclosed as part of this Report.

Particulars of Employees

There is no employee in the organization whose particulars are required to be given pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, as amended up to date.

Acknowledgements

Yours Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.

By order of the Board
For STANDARD SURFACTANTS LTD.

Place: Kanpur
Date : 28.11.2011

PAWAN KUMAR GARG
Chairman & Managing Director

TWENTY SECOND ANNUAL REPORT

ANNEXURE 'I'

TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2011

A. CONSERVATION OF ENERGY :

- (a) Energy conservation measures taken : N.A.
 (b) Additional investment and proposals, if any being implemented for reduction in energy consumption. : N.A.
 (c) Impact of the measures (a) and (b) : N.A.

B. CONSERVATION OF FUEL CONSUMPTION

1) ELECTRICITY

a) Purchased

Units

Amount in Rs.

Rate / Unit

b) Own Generation

(i) Through Diesel Generator

Unit Generated

Amount in Rs.

Cost / Unit

(ii) Through Steam Turbine :

Unit

Unit per litre of fuel Oil /Gas

2. COAL/WOOD (Used in Boiler)

Qty. Consumed (Kg.)

Amount in Rs.

Cost/Unit

3. FURNACE OIL (Used in Boiler)

Unit Consumed (Ltrs.)

Amount in Rs.

Cost/Unit

C. FOREIGN EXCHANGE EARNINGS :

D. FOREIGN EXCHANGE OUTGO :

Current Year

Previous Year

1970125

1818420

11512470

11920857

5.84

6.55

80732

32512

1352887

543857

16.76

16.73

Not Used

Not Used

-

-

-

-

810185

772953

3907026

2963829

4.82

3.83

24201

71948

732982

1524267

30.29

21.19

Nil

Nil

4296317

9186277

ANNEXURE-II

CERTIFICATION OF COMPANY SECRETARY ON CLAUSE-49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGE

To,
 The Board of Directors
 Standard Surfactants Ltd.
 8/15 Arya Nagar,
 Kanpur

We have reviewed the records concerning the company's compliance with clause 49 of the listing agreement entered into by the company with the stock exchanges, for the financial year beginning April 1, 2010 and ending on March 31, 2011.

The objective of our review is to give our opinion of whether the company has complied with the provisions of the clause 49 of the listing agreement entered into by the company with the stock exchanges.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company.

Based on such review, in our opinion, the company has complied with clause 49 except composition of Audit Committee of the listing agreement with the stock exchange. However, trading of Company's shares on BSE is suspended.

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

For SARVESH S. SRIVASTAVA
 Company Secretaries
 Membership No.7719

Place : Kanpur
 Date : 28.11.2011

ANNEXURE TO DIRECTORS' REPORT

REPORT OF CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY :

Corporate Governance sets forth guidelines for managing and sustaining a transparent, information oriented culture wherein authority and responsibilities are co-existent and co-extensive. It also provides guidelines on accountability of various positions within the organization. These values govern not only the Board of Directors, but also the management and the employees of the Company. This Governance protects and balances the interests of all stakeholders thereby enhancing shareholder value.

2. BOARD OF DIRECTORS :

(i) Pecuniary relationship:

Non- Executive Directors do not have any material pecuniary relationship with the company except receiving of sitting fees for attending Board meeting and committee meeting.

(ii) Composition

As at March 31, 2011, the strength of the board of directors of the Company was Seven out of which Three were independent and non-executive directors, Three were promoter and executive directors and one was promoter and non-executive director. During the period under review meetings of the Board of Directors were held on,

- July 29, 2010,
- September 30, 2010,
- October 30, 2010,
- December 15, 2010,
- January 31, 2011.

Details regarding Directors of the Company as on 31.03.2010 are given below :

Name of the Director	Designation	No. of other Directorship held		No of meetings attended	Attendance at last AGM held
		Public	Private		
Non-executive					
Mr. Purshottam Das Garg	Director	-	-	Nil	No
Independent and Non-executive					
Mr. Satya Prakash Tayal	Director	-	-	02	No
Mr. Subhash Chandra Chugh	Director	-	-	02	No
Mr. Abhishek Mehrotra	Director	-	01	02	No
Executive Directors					
Mr. Pawan Kumar Garg	Chairman & Managing Director	-	-	03	Yes
Mr. Atul Kumar Garg	Whole Time Director	Y	01	04	Yes
Mr. Ankur Garg	Whole Time Director	Y	02	04	Yes

Note : Mr. Satya Prakash Tayal has resigned from the Board of Directors of the Company w.e.f. 29.01.2011.

TWENTY SECOND ANNUAL REPORT

(iii) Information to the Board :

During the year, Directors of the Company have been furnished informations (including but not limited to the following) to enable the Directors to deliberate in the decision making process.

- Quarterly results of the Company
- Annual operating plan, Budget, Capital Budget, updates and all variances.
- Materially important show cause notice, demand, prosecution or other legal notice.
- Compliance of any regulatory, Statutory nature or listing requirement.
- Minutes of the meeting of the Board of Directors and committees of the Directors.
- Details of relative party transaction.
- Quarterly compliance report on Clause 49
- Transactions that involve substantial payment towards Goodwill, Brand equity & intellectual property.

(iv) Remuneration to Directors

Non-executive Directors of the Company are paid sitting fee for attending Board/ Committee meetings.

Committee of Board

The Board of Directors have constituted the following committees with adequate delegation of power to discharge day to day affairs of the Company as well as to meet the exigency of business of the Company.

The committees constituted by the Board as on date are :

1. AUDIT COMMITTEE :

Terms of Reference :

- a) To oversee Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) To recommend appointment and removal of Statutory auditors, fixation of audit fee and also approve payment for other services.
- c) To review the adequacy of internal control systems with the Management, Statutory and internal auditors.
- d) To review the Company's financial and risk management policies.

Composition

Mr. Subhash Chandra Chugh : Non-Executive Director
 Mr. Pawan Kumar Garg : Executive Director

Meetings and attendance during the year

Members	Meetings Held	Meetings Attended
Mr. Subhash Chandra Chugh	4	4
Mr. Pawan Kumar Garg	4	4

2. REMUNERATION COMMITTEE :

Terms of Reference

- a. To formulate from time to time, process of selection and appointment of Senior Executive.
- b. Policy reviews on remuneration of Senior Executive and their Service Contracts.

Composition

Mr. Pawan Kumar Garg : Executive Director
 Mr. Atul Kumar Garg : Executive Director
 Mr. Subhash Chandra Chugh : Non-Executive Director

Meetings and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Pawan Kumar Garg	1	1
Mr. Atul Kumar Garg	1	1
Mr. Subhash Chandra Chugh	1	1

3. INVESTOR GRIEVANCE COMMITTEE :

Terms of Reference

To redress shareholders/ investors grievances relating to

- transfer of shares
- non-receipt of declared dividends
- non-receipt of Balance Sheet and
- all such complaints directly concerning the shareholders/ investors as stakeholders of the company.

Composition

Mr. Satya Prakash Tayal	:	Chairman
Mr. Atul Kumar Garg	:	Executive Director
Mr. Pawan Kumar Garg	:	Executive Director

Meetings and attendance during the year

Members	Meetings Held	Meetings Attended
Mr. Satya Prakash Tayal	4	3
Mr. Pawan Kumar Garg	4	4
Mr. Atul Kumar Garg	4	4

4. SHARE TRANSFER COMMITTEE :

Terms of Reference

- Transfer of Shares
- Issue of Duplicate Share Certificates.
- Change of address of Shareholders.

Composition

Mr. Satya Prakash Tayal	:	Chairman
Mr. Atul Kumar Garg	:	Executive Director
Mr. Pawan Kumar Garg	:	Executive Director

Meetings and attendance during the year

Members	Meetings Held	Meetings Attended
Mr. Satya Prakash Tayal	4	3
Mr. Atul Kumar Garg	4	4
Mr. Pawan Kumar Garg	4	4

Compliance Officer

Board of Directors are making their efforts to appoint a Compliance Officer in terms of the Listing Agreement.

5. GENERAL BODY MEETINGS :

- The Last three Annual General Meetings of the Company were held as under :

Financial Year	Date	Time	Location
2007-2008	24.12.2008	11.30 A.M	8/15 Arya Nagar, Kanpur
2008-2009	29.12.2009	11.30 A.M	8/15 Arya Nagar, Kanpur
2009-2010	30.11.2009	11.30 A.M	8/15 Arya Nagar, Kanpur

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Whether special Resolutions were put through ballot last year, details of voting Pattern, person who conducted the postal ballot exercise, purpose to be conducted through postal ballot and procedures for postal ballot – No.

6. DISCLOSURES :

- (a) Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its founders, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large – Nil.
- (b) Details of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any Statutory authority, on any matter related to capital market, during the last three years – Nil.

However trading of shares on BSE, UPSE, Ahmedabad and Delhi Stock Exchanges have been remaining suspended for the last several years.

7. MEANS OF COMMUNICATION :

Quarterly results- which newspapers normally published in; any website, where Displayed; whether it also displays official news releases; and the presentations made to institutional investors or to the analysts.

The Quarterly results are generally published in the Daily Aaj or Swatantra Bharat.

Management Discussion and Analysis Report forms part of this Report

In line with recent amendments made to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Standard Surfactants has formulated policy on Prevention of Insider Trading applicable to the Company's Directors and all employees. This policy was adopted by the Board at its Meeting held on 12th April, 2003.

8. GENERAL SHAREHOLDERS' INFORMATION :

(i) 22nd Annual General Meeting

- Venue : Registered Office
Time : 11.30 A.M
Day & Date : Thursday, 29th December, 2011

(ii) Book Closure :

The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 22nd December 2011 to Thursday, 29th December 2011 (both days inclusive).

(iii) Listing of Equity Shares on Stock Exchange at :

1. BSE, Phiroze Jeejeebhoy Tower,
25th Floor, Dalal Street,
Mumbai-400001
2. The Delhi Stock Exchange Association Ltd.
DSE House, 3/1 Asaf Ali Road
New Delhi-110002
3. The Stock Exchange, Ahmedabad
Opp. Sahjanand College, Panjarapole
Ahmedabad-380015
4. The U.P. Stock Exchange Association Ltd.
Padam Tower, 14/113, Civil Lines,
Kanpur-208001.

(iv) Distribution of Share Holding :

(a) S.No.	Shareholding of Nominal value of	Share Holder		No. of Shares
		Number	% age to total	
1.	Upto – 500	13980	94.88	2038900
2.	501 – 1000	505	3.43	396000
3.	1001 – 2000	150	1.02	222900
4.	2001 – 3000	22	0.15	51900
5.	3001 – 4000	13	0.09	44300
6.	4001 – 5000	10	0.07	45500
7.	5001 – 10000	19	0.13	147500
8.	10001 & Above	35	0.23	4200600
Total		14734	100.00	71476000

The Distribution of Share holding as on 31st March, 2011 was as follows :

(b) Category	No. of shares held	Percentage of Shareholding
A. Promoters Holding		
1. Indian Promoters	3414100	47.81
Foreign Promoters		
2. Person Acting in concert :		
Sub Total	3414100	47.81
B. Non - Promoters Holding		
3. Institutional Investors		
Mutual Funds, Banks, Financial Institutions, Insurance Companies, (Central / State Govt. Institutional/ Non-Govt. Institution)	756300	10.58
Sub Total	756300	10.58
4. Others		
a. Private Corporate Bodies	99300	1.39
b. Indian Public	2167000	30.32
c. NRIs/OCBs	710900	9.95
d. Any Other	0	0.00
Sub Total	2977200	41.66
Grand Total	7147600	100.00

TWENTY SECOND ANNUAL REPORT

(v) **PLANT LOCATION :**

- | | |
|---|--|
| (b) Mandideep Plant
(Madhya Pradesh) | 24A & B New Sector,
Industrial Area, Mandideep,
Bhopal - 462046 (MP) |
| (b) Rania Plant, Kanpur
(Uttar Pradesh) | 252,268, Village Umran,
Post Akbarpur, Rania,
Kanpur-Dehat. (U.P.) |
| (c) Paonta Sahib Plant
(Himanchal Pradesh) | Plot No. 114, Gondpur
Industrial Area, Poanta Sahib
(H. P.) |

(vi) **ADDRESS FOR INVESTOR'S CORRESPONDENCE :**

Standard Surfactants Ltd.
8/15 Arya Nagar, Kanpur U.P.
Ph: 91-512-2531762
Fax : 91-512-2548585
E-mail : headoffice@standardsurfactants.com

(vii) **Registrar & Transfer Agent**

M/s Skyline Financial Service Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I,
New Delhi - 110 020

9. As per Clause 49 of the Listing Agreement with Stock Exchange, Company is required to obtain a Certification from the Company Secretary regarding compliance of conditions or Corporate Governance. Since the Company has implemented the Corporate Governance Code during the F.Y 2010-11, the Company Secretary's Certificate in respect of Compliance thereof is enclosed in this Annual Report.

Place : Kanpur
Date : 28.11.2011

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of STANDARD SURFACTANTS LIMITED

Pursuant to Clause 49 1 (D) of the Listing Agreement with Stock Exchanges, I hereby declare that all Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2011.

Place : Kanpur
Date : 28.11.2011

For STANDARD SURFACTANTS LIMITED

PAWAN KUAMR GARG
Chairman and Managing Director

CERTIFICATION BY THE CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY

I, Pawan Kumar Garg, Chairman & Managing Director of M/s Standard Surfactants Limited do hereby certify to the Board that :

- a) I have reviewed financial statements and the cash flow statement for the year and to the best of my knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and Regulations.
- b) There are to the best of my knowledge and belief, no transactions entered into by Standard Surfactants Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I am responsible for establishing and maintaining internal controls for financial reporting of Standard Surfactants Limited and I have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting. I have disclosed to the Auditors and the Audit Committee, deficiencies' in the design or operation of such internal controls , if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee :
 - i. Significant changes in internal control over financial reporting during the year
 - ii. Significant changes in Accounting Policies during the year and the same have been disclosed in the notes to the financial statements. And
- e) I affirm that I have not denied any personnel access to the Audit Committee of the company in respect of matters involving alleged misconduct.
- f) I further declare that all Board members and senior management have affirmed compliance with the code of conduct for the current year.

For STANDARD SURFACTANTS LIMITED

PAWAN KUAMR GARG

Chairman and Managing Director

Place : Kanpur

Date : 28.11.2011

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR 2010-11

DISCLAIMER

Some of the statements in the report describing the Company's objectives, projections, estimates and expectations may be forward-looking statement within the meaning of applicable securities laws and regulations. The forward looking statements have as their basis certain assumptions and expectations about behaviors or outcome of future events and economic variables. The Company's operations may be affected by these economic conditions, demand/ supply scenarios, price conditions, market conditions in which the Company operates, changes in the Government Policies, changes in fiscal laws and other incidental factors. The Company therefore does not guarantee that these future events and/ or projected. Actual performance of the Company could thus differ materially when compared within projects made in the "forward looking statements."

ECONOMY & MARKET TREND

The current obstacles in the financial markets have clouded the prospectus of the economy at the global level. The global inflation level fuelled by the instant increase in global commodity prices adversely affected the economy at large. The Indian economy on the other has characterized by strong macro economic fundamentals. The country continued to grow manufacturing and services respectively in the last fiscal year.

COMPANY'S PRODUCTS

The Company has multiple product lines. In fact moving consumer goods sector, principal products are Detergents cake, powder, Chemicals and other allied products. The Company has, in stages, set up facilities to manufacture the required key raw materials for Detergents and Crop protection industries.

The manufacturing facilities of the Company are located at Rania, Kanpur Dehat, Mandideep, Bhopal and Paonta Shaib, Himnachal Pradesh.

Apart of being, the Company has a trading division which involves in trading of High Density Polyethylene, Linear Low Density Polyethylene, Poly Propylene, Other Polymers, Paraffin wax and other petro and petroleum products.

INTERNAL CONTROL SYSTEM

Based on the nature of business and size of operations the internal control system has been designed to provide proper recording and safeguarding of assets, maintenance of proper accounting records and reliability of financial information, compliance with prevalent statues, policies, procedures applicable to the company, transactions being accurately recorded and adherence to applicable accounting standards.

The internal Control System provides for well documented policies/ guidelines, authorizations and approval procedures. The observations arising out of audit are periodically reviewed and compliance ensured.

HUMAN RESOURCES

The management recognizes that human capital of the Company working at various locations and levels is an integral part of the success of the Company. They have played the significant role and enable the company to deliver the credible performance year after year.

The employees and management of the company are committed towards maintaining of harmonious industrial relations. The Company provides safe and secure work environment. It also has healthy and productive relation with its workforce. It conducts periodic communication exercises to keep its employees apprised of their performance.

ENVIRONMENT AND SAFETY

The quality policy framed by the Company attribute it to comply with environment, safety and social obligations. These obligations are complied with by means of adopting eco friendly and eco efficient process technologies. The Company has also implementing onsite as well as offsite emergency plan for effective management of an accident or incident to minimize the loss of manpower, property both in and around plant facility.

SWOT ANALYSIS**Strength:**

- i) Promoters have a vast experience in the Detergent market and they are well familiar with the variation in the demand pattern.
- ii) Company is financially and technically sound

Weaknesses

The operations of the company are sensitive to the changes introduced by the regulatory authorities from time to time which may affect the profitability of the company

Opportunities

- i) Growing domestic market
- ii) Significant increase in demand of global Detergent/ Surfactants market

Threats

- i) Increasing competition from sub-standard and unregistered Detergent companies.
- ii) Company may face competition from Local market and Job workers in Indian market.

Place : Kanpur
Date : 28.11.2011

For Standard Surfactants Limited
PAWAN KUMAR GARG
Chairman & Managing Director

TWENTY SECOND ANNUAL REPORT

AUDITORS' REPORT

The Members of
STANDARD SURFACTANTS LIMITED

Kanpur

We have audited the attached Balance Sheet of STANDARD SURFACTANTS LIMITED, KANPUR, as at 31st March 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Sec-227 (4A) of the Companies Act 1956, we annex hereto statement on the matters specified in Paragraphs-4 & 5 of the said Order.
- 2) Further to our comments in the Annexure referred to in Paragraph- (1) above:-
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the company as far it appears from our examination of the books;
 - c) The balance sheet and profit & loss account referred to in this report are in agreement with the books of accounts;
 - d) In our opinion, except as stated in Para (f) above regarding non compliance of AS 22 and AS 15, the said balance sheet, profit & loss account and cash flow statement comply with the Accounting Standards referred to in Sec-211 (3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as director under Clause-(g) of Sub-Section- (1) of Sec-274 of the Companies Act, 1956.
 - f)
 - i) Liabilities for deferred tax has not been ascertained and provided for in accordance with Accounting Standard 22.
 - ii) We are unable to comment on the adequacy of provision for gratuity in absence of actuarial valuation.
 - (g) Attention is invited to note no. 19 of schedule N regarding non provision of depreciation on the fixed assets of the units not in operation. As stated in note no. 20 of schedule N the method of depreciation on the plant & machinery of So3 unit a mandideep has been changed from straight-line method to written down value method at the rate prescribed under the companies act, 1956. Accordingly, the arrear of depreciation from the initial use of machinery to the beginning of current year amounting to Rs. 156.62 lakhs has been charged to the opening balance of the general reserve & the depreciation for the year is reduced by Rs. 35.02 lakhs.

Subject to above, in our opinion and to the best of our information and according to the explanation given to us, the said balance sheet and profit & loss account read together with the significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) In the case of Balance Sheet of the State of Affairs of the Company as at 31ST MARCH, 2011;
- b) In the case of Profit & Loss Account of the PROFIT for the year ended on that date and
- c) In the case of cash flow statement, of the cash flow for the year ended on that date.

Place : Kanpur
Date : 28.11.2011

For MITTAL GUPTA & CO.,
Chartered Accountants
Firm Regn. No.: C-01874

AKSHAY K.GUPTA
Partner
Membership No.70744

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our Report to the members of Standard Surfactants Ltd. on Accounts for the year ended 31st March 2011.

1. In respect of its fixed assets :

- a. The company has maintained fixed assets records showing particulars including quantitative details and situation of the assets. The records need to be updated to incorporate the additions, deletions and depreciation etc.
- b. The management has adopted rotational policy of verification of fixed assets in such a way that all the fixed assets will be physically verified during a period of two years. In our opinion the frequency of verification of the fixed assets is reasonable having regard to the size of the company and nature of fixed assets. No material discrepancies were noticed on such verification.
- c. The company has not disposed of any substantial part of the fixed assets of any of its unit.

2. In respect of its inventories :

- a. As explained to us, the stock of raw materials, work-in-progress and finished goods have been physically verified by the management at regular intervals during the year. In respect of stock of stores and spares there is a perpetual inventory system and a substantial portion of stock have been verified during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. The discrepancies noticed on physical verification of inventory as compared to the book records were not material having regard to the size of the operation of the company.

3. a) According to information and explanation given to us, the company has granted unsecured loans to three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount due during the year is Rs. 81.35 lacs and the year - end balance is Rs. 30.51 lacs due from three parties.
- b) In our opinion and according to the information and explanations given to us, the other terms and conditions of interest free unsecured loans granted by the company are not prima facie prejudicial to the interest of the Company.
- c) According to the information and explanation given to us, there are no stipulations regarding the repayment of principal amount of interest free unsecured loan granted by the company. In these circumstances the irregularity in the receipt of principal amount could not be ascertained.
- d) Since there is no stipulation regarding the repayment of loans, we are unable to comment on the overdue amounts of more than one lakh rupee.
- e) According to information and explanation given to us, the company has taken unsecured loan from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs. 378.08 lacs and the year - end balance due is Rs. 135.03 lacs due to five parties.
- f) In our opinion and according to the information and explanations given to us the rate of interest and other terms and conditions of the loans taken by the company are not prejudicial to the interest of the company.
- h) In our opinion and according to the information and explanations given to us the company is regular in payment of the principal and interest amount.

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4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. **In respect of transactions covered U/s-301 of the Companies Act, 1956 :**
 - a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section-301 of the Companies Act, 1956 have been entered in the register maintained under that section.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained U/s-301 of the Companies Act, 1956 and exceeding the value of Rs. Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not invited any deposits from the general public in contravention of provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits), Rules, 1975. However it has accepted unsecured loans from the relatives, close friends and associates of directors and the above mentioned provisions have not been complied with in respect of these unsecured loans. To the best of our knowledge and according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal with regards to acceptance of deposits by the company.
7. In our opinion and according to the information and explanation given to us, the company has sound internal audit system.
8. We are informed by the management that the cost records, required to be maintained by company pursuant to the orders made by the Central Government for the maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956, for the current year are under preparation.
9. **In respect of Statutory Dues :**
 - a. According to the records of the Company, in few cases undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth-Tax, Customs Duty, Excise Duty, Cess and Other Statutory dues have been deposited late along with the interest with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of the aforesaid dues aggregating to Rs. 7.05 lacs were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanation given to us, details of dues of sales tax, excise duty and cess which have not been deposited on account of any dispute are as per details given in note no. 2 of schedule "N".
10. The company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. According to the information and explanation given to us during the year the company has not defaulted in repayment of dues to financial institutions or banks.
12. In our opinion and according to the information and explanation given to us, no loan and advance have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a Chit Fund or a Nidhi/ Mutual Benefit Fund/ Society. Therefore, Clause-4(xiii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.

14. According to the information and explanations given to us, the company is not dealing or trading in the shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the company has not given any guarantees for loans taken by other from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, there are no outstanding term loans at the end of financial year.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on a short-term basis, which have been used for long-term investment.
18. In our opinion and according to the information and explanation given to us, the company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained U/s-301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanation given to us, the company has not issued any secured debentures during the period cover by our report. Accordingly, the provisions of clause 4(xix) of the order are not applicable to the company.
20. In our opinion and according to the information and explanation given to us, the company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

Place : Kanpur
Date : 28.11.2011

For MITTAL GUPTA & CO.,
Chartered Accountants
Firm Regn. No.: C-01874
AKSHAY K.GUPTA
Partner
Membership No.70744

TWENTY SECOND ANNUAL REPORT

BALANCE SHEET AS AT 31.03.2011

	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
1. Share Holders' Fund					
A. Capital	A	71,126,200		71,126,200	
B. Reserves And Surplus	B	<u>65,292,567</u>	136,418,767	<u>79,962,144</u>	151,088,344
2. Loan Funds					
A. Secured Loans	C	77,812,898		76,785,237	
B. Unsecured Loans	D	<u>53,400,508</u>	<u>131,213,406</u>	<u>32,389,141</u>	<u>109,174,378</u>
Total Liabilities			267,632,173		260,262,722
APPLICATIONS OF FUNDS					
1. Fixed Assets					
A. Gross Block	E	295,115,249		289,303,563	
B. Less : Depreciation		<u>187,477,289</u>		<u>165,522,204</u>	
C. Net Block		107,637,960		123,781,359	
D. Capital Work In Progress		<u>240,000</u>	<u>107,877,961</u>	<u>881,606</u>	<u>124,662,965</u>
2. Investments					
3. Current Assets, Loans & Advances					
A. Inventories	F	38,323,797		28,343,680	
B. Sundry Debtors		112,086,226		88,906,630	
C. Cash And Bank Balances		5,411,840		12,111,140	
D. Loans And Advances		<u>39,079,787</u>		<u>47,449,499</u>	
		194,901,652		176,810,949	
4. Less : Current Liabilities & Provisions					
A. Liabilities	G	34,664,092		40,545,440	
B. Provisions		<u>483,349</u>		<u>665,752</u>	
		35,147,441		41,211,192	
5. Net Current Assets			159,754,212		135,599,757
Total Assets			267,632,173		260,262,722
Cash Flow Statement	L				
Significant Accounting Policies	M				
Notes Forming part of the Accounts	N				

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants

Akshay K. Gupta

Partner

M. No. 70744

Date : 28.11.2011

Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg

Chairman & Managing Director

Atul Kumar Garg

Whole-time Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	Current Year 31.03.2011		Previous Year 31.03.2010	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Gross Revenue (Sales)			546,133,553		492,758,665
Less : Excise Duty			102,286,815		69,341,069
1. Net Revenue			443,846,738		423,417,596
2. Other Operational Income	H		10,093,939		27,511,824
3. Increase / (Decrease) in Stock	I		10,421,850		(1,220,514)
Total Income			<u>464,362,526</u>		<u>449,708,906</u>
EXPENDITURE					
1. Purchases			246,259,234		164,185,495
2. Raw Material Consumed			138,268,360		187,419,912
3. Manufacturing and Other Expenses	J		61,044,529		68,506,650
4. Interest	K		11,224,970		10,028,919
5. Depreciation			6,292,862		13,113,321
6. Prior Period Items			22,185		92,309
Total Expenditure			<u>463,112,140</u>		<u>443,346,606</u>
Profit/ (Loss) before Tax			1,250,386		6,362,300
Provision for Fringe Benefit Tax			-		-
Provision for Tax — Current Tax		231,820	-	900,000	-
Less : MAT Credit Entitlement		<u>231,820</u>	-	-	900,000
Income Tax paid Adjustment			257,738		91,156
Fringe Benefit Tax Adjustmnet			-		87,066
Profit / (Loss) After Tax			992,648		5,284,078
Add : Balance Brought Forward From Previous Year			43,585,864		38,301,787
Less : Transfer to general reserve			2,946,033		-
Balance Carried Forward To The Balance Sheet			41,632,480		43,585,864
Basic & Diluted			0.14		0.74

As per our report of the even date attached
 For MITTAL GUPTA & COMPANY
Chartered Accountants
Akshay K. Gupta
Partner
 M. No. 70744
 Date : 28.11.2011
 Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director

Atul Kumar Garg
Whole-time Director

TWENTY SECOND ANNUAL REPORT

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE A : SHARE CAPITAL				
a. Authorised Capital :				
10000000 Equity Shares of Rs 10/- each		<u>100,000,000</u>		<u>100,000,000</u>
b. Issued, Subscribed and Paid up Capital :				
7147600 Equity Shares of Rs 10/- each (747600 Equity Shares of Rs.10/- each have been allotted to IDBI Bank for consideration otherwise than cash)		<u>71,476,000</u>		<u>71,476,000</u>
<i>Less : Calls unpaid from other than Directors</i>		<u>(349,800)</u>		<u>(349,800)</u>
TOTAL		<u>71,126,200</u>		<u>71,126,200</u>

SCHEDULE B : RESERVES & SURPLUS

1. Share Premium Account				
Balance as per Last Balance Sheet	<u>21,105,999</u>		21,105,999	
<i>Less : Calls in Arrears</i>	<u>(174,900)</u>	<u>20,931,099</u>	<u>(174,900)</u>	<u>20,931,099</u>
2. Investment Allowance Reserve		<u>348,000</u>		<u>348,000</u>
3. General Reserve				
Balance as per Last Balance Sheet	<u>12,716,191</u>		12,716,191	
<i>Less : Adjustment during the year</i>	<u>15,662,224</u>		<u>-</u>	<u>12,716,191</u>
<i>Add : Transfer from Profit & Loss Account</i>	<u>2,946,033</u>		<u>-</u>	
4. Profit & Loss Account		<u>41,632,480</u>		<u>43,585,865</u>
5. Capital Reserves				
Balance as per Last Balance Sheet		<u>2,380,989</u>		<u>2,380,989</u>
TOTAL		<u>65,292,567</u>		<u>79,962,144</u>

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE C : SECURED LOANS				
1. Term Loans				
A. From IDBI				
i. Rupee Term Loan		-	696,928	
2. From State Bank of India				
Rupees Cash credit	77,203,370		773,157	
Foreign Currency Working Capital Demand Loan	-	77,203,370	74,340,750	75,113,907
From Others & NBFC				
Vehicle Loan	609,528		974,402	
		609,528		974,402
TOTAL		<u>77,812,898</u>		<u>76,785,237</u>

SCHEDULE : D OF UNSECURED LOANS & DEFERRED PAYMENT CREDIT

1. Unsecured Loans				
From Companies	10,304,104		630,464	
From Others	43,096,404	53,400,508	31,758,677	32,389,141
TOTAL		<u>53,400,508</u>		<u>32,389,141</u>

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SCHEDULE E : FIXED ASSETS AS AT 31.03.2011

Particulars of Assets	COST Rs.			DEPRECIATION Rs.				NET BLOCK Rs.		
	Rate of Dep.	As at 01.04.2010	Additions	As at 01.04.2010	For the Year	Adjustments	Sales/ Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
1. Trade Mark	10.00%	3,500,000	-	3,500,000	-	-	-	3,500,000	-	-
2. Goodwill	0.00%	456,465	-	456,465	91,293	-	-	365,172	91,293	182,586
3. Free Hold Land	0.00%	4,221,113	500,000	4,721,113	-	-	-	-	4,721,113	4,221,113
4. Leasehold Land	0.00%	1,767,182	-	1,767,182	229,996	31,049	-	261,045	1,506,137	1,537,186
5. Factory Building	3.34%	79,643,677	273,632	79,917,309	34,155,353	1,063,658	-	35,219,011	44,698,298	45,488,324
6. Office Building	1.63%	265,694	957,954	1,223,648	76,574	14,331	-	90,905	1,132,743	189,120
7. Plant & Machinery	4.75%	176,845,430	3,505,694	180,351,124	109,844,682	3,840,104	15,662,224	129,347,010	51,004,114	67,000,749
8. Furniture and Fixtures	6.33%	5,780,453	260,802	6,041,255	4,910,624	292,513	-	5,203,138	838,117	869,829
9. Office Equipment	4.75%	4,051,928	236,419	4,288,347	2,308,954	134,739	-	2,443,693	1,844,654	1,742,974
10. Computers	16.21%	5,081,518	77,185	5,158,703	4,504,373	281,777	-	4,786,149	372,554	577,146
11. Vehicles	9.50%	7,690,103	-	7,690,103	5,717,769	543,398	-	6,261,167	1,428,936	1,972,334
TOTAL		289,303,563	5,811,686	295,115,249	165,522,204	6,292,862	15,662,224	187,477,289	107,637,960	123,781,360
Previous year		295,726,837	12,190,159	307,916,996	159,922,929	13,113,320	436,331	173,472,580	123,781,359	135,803,908

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE F : CURRENT ASSETS, LOANS AND ADVANCES				
A. Inventories				
1. Finished Goods	19,954,755		9,162,680	
Material in Transit	-		861,309	
2. Work in progress	593,100		963,325	
3. Raw Material	12,078,125		11,723,535	
4. Stores, Spare Parts & Tools	5,697,817		5,632,831	
TOTAL		<u>38,323,797</u>		<u>28,343,680</u>
B. Sundry Debtors				
(Unsecured Considered Good)				
1. Over Six Months				
Considered Doubtful	-		-	
Considered Good	2,185,936		1,741,397	
Less : Provision for Doubtful Debts	-		-	
		2,185,936		1,741,397
2. Others : Considered Good		109,900,290		87,165,233
TOTAL		<u>112,086,226</u>		<u>88,906,630</u>
C. Cash & Bank Balances				
1. Cash Cheques & Draft in Hand		1,452,823		654,361
2. With Post Office		100		100
3. Balance with Scheduled Banks				
a. In Term Deposit (Pledged with Authorities)	3,457,463		7,298,106	
b. In Current Accounts	501,455		4,158,573	
		3,958,918		11,456,679
TOTAL		<u>5,411,840</u>		<u>12,111,140</u>
D. Loans & Advances & Deposits etc				
(Unsecured Considered Good)				
1. Advances Recoverable in cash or kind or for value to be received				
Suppliers		8,362,253		2,024,750
Others		13,942,538		23,263,580
2. Advance Income Tax		(90,543)		2,317,401
3. Balances with Excise Department		576,458		551,182
4. Excise Duty Recoverable		17,641		17,641
6. Sales Tax Claims Recievable		2,383,247		3,536,155
7. Security Deposit		8,462,403		8,774,548
8. Insurance Claim Recievable		1,327,424		1,139,873
9. Freight Subsidy Receivable		2,048,344		2,048,344
10. Vat Recoverable		313,276		2,271,097
11. Interest Accrued on FDR		35,619		35,619
12. MAT Credit Entitlement		1,701,129		1,469,309
TOTAL		<u>39,079,787</u>		<u>47,449,499</u>

TWENTY SECOND ANNUAL REPORT

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE G : CURRENT LIABILITIES AND PROVISIONS				
A. Current Liabilities				
1. Sundry Creditors	22,175,889		23,047,412	
2. Advances from Customers	4,274,305		6,992,390	
3. Other Current Liabilities	8,198,658		10,490,398	
4. Unpaid Share Application Money	15,240	34,664,092	15,240	40,545,440
SUB TOTAL (A)		34,664,092		40,545,440
B. Provisions				
Provision for Tax	231,820		900,000	
Less : Contra from Advance Tax	231,820	-	900,000	-
Provision for Leave Encashment	283,200		346,945	
Provision for Gratuity	200,149	483,349	318,807	665,752
SUB TOTAL (B)		483,349		665,752
TOTAL (A+B)		35,147,441		41,211,192

SCHEDULE : H OF OTHER OPERATIONAL INCOME

1. Lease Rent / Rent Received – (Gross)	1,106,742		660,000	
2. Balance written off / back (Net)	2,275,741		6,152,381	
3. Miscellaneous Income	1,848,049		1,035,624	
4. Commission Received – (Gross)	2,379,778		1,854,403	
5. Rate Difference & Trading Income	2,438,841		14,513,924	
6. Excess Provision Written Back	38,665		2,410,703	
7. Insurance Claims	3,536		333,858	
8. Freight Subsidy Received	-		114,600	
9. Depreciation Written Back	2,587		436,331	
TOTAL		10,093,939		27,511,824
Tax Deducted At Source on above Income				

SCHEDULE : I OF INCREASE / (DECREASE) IN STOCK

1. Stock in Trade (At Commencement)			11,007,963	
Finished Goods	9,162,680		338,556	11,346,519
Work in Progress	963,325	10,126,005		
2. Stock in Trade (At Close)			9,162,680	
Finished Goods	19,044,755		963,325	10,126,005
Work in Progress	1,503,100	20,547,855		(1,220,514)
TOTAL		10,421,850		

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE J : MANUFACTURING & OTHER EXPENSES				
Manufacturing Expenses				
1. Power & Fuel	17,904,645		16,937,535	
2. Excise Duty & Edu Cess	(679,863)		(330,832)	
3. Miscellaneous Manufacturing Expenses	1,344,461		1,000,882	
4. Packing & Processing Charges / Stores	<u>5,248,587</u>	<u>23,817,830</u>	<u>4,590,155</u>	<u>22,197,740</u>
Employees Remuneration & Benefits				
1. Salaries & Wages	12,266,571		12,466,975	
2. Contribution of PF and Other Funds	836,485		796,374	
3. Workmen & Staff Welfare Expenses	445,413		431,134	
4. Gratuity	<u>174,243</u>	<u>13,722,712</u>	<u>65,959</u>	<u>13,760,442</u>
Repairs & Maintenance				
1. Machinery	2,473,381		4,212,862	
2. Building	55,891		89,089	
3. Others	<u>768,839</u>	<u>3,298,111</u>	<u>408,057</u>	<u>4,710,008</u>
Auditors Remuneration				
1. For Audit	75,000		75,000	
2. For Tax Audit	35,000		35,000	
3. For Expenses	<u>23,424</u>	<u>133,424</u>	<u>37,048</u>	<u>147,048</u>
Selling, Administrative & Other Expenses				
Rent	300,539		180,760	
Insurance	772,205		894,419	
Security Expenses	539,151		496,154	
Bank Commission & Charges	1,285,063		1,202,126	
Bus Running & Maintenance	—		—	
Diwali Expenses	188,667		296,669	
Entertainment Expenses	87,000		124,925	
Donation	32,150		44,808	
Fines & Penalties	6,000		12,000	
Car Running & Maintenance	1,006,513		820,515	
Exchange Rate Difference	1,361,188		1,373,562	
Rates, Taxes, Legal & Professional Expenses	1,484,816		1,364,273	
Taxes On Sale	3,933,926		3,702,478	
Freight Outward	2,197,759		1,723,771	
Commission & Sales Incentive	173,811		181,187	
Director Remuneration	—		1,920,000	
Depot Exp.	207,187		41,300	

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Schedules annexed to and forming part of Accounts as at 31.03.2011

	Current Year 31.03.2011		Previous Year 31.03.2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE J : MANUFACTURING & OTHER EXPENSES (Contd..)				
Miscellaneous Expenses	2,505,962		1,132,468	
Loss on sale of Assets	-		2,623,977	
Postage & Telephone Expenses	974,570		1,024,654	
Travelling Expenses	2,212,157		2,864,825	
Advertisement & Business Development	200,296		212,225	
Printing & Stationery	321,809		309,893	
Bad Debts / Balances Written off	281,682	20,072,451	5,142,423	27,689,412
TOTAL		61,044,529		68,504,650
SCHEDULE K : INTEREST				
On Term Loan	-		123,687	
On Others	12,829,734	12,829,734	10,090,368	10,214,055
Less : Interest Received (Gross)		1,604,764		185,136
TOTAL		11,224,970		10,028,919
Tax Deducted At Source on above Income		-		-

Schedules annexed to and forming part of Accounts as at 31.03.2011

	Rs. in Lacs For the Year 2010-2011	Rs. in Lacs For the Year 2009-2010
SCHEDULE L : CASH FLOW STATEMENT		
A : CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per P&L Account	12.50	63.62
Adjustment for net prior/extra ordinary items	0.22	0.92
Net Profit before tax and Extraordinary items	<u>12.73</u>	<u>64.54</u>
Adjusted for :		
Depreciation on Fixed Assets	62.93	131.13
Profit/Loss on sale of Assets	0	26.24
Foreign Exchange Forward Risk Premium	13.61	13.74
Bad Debts/Balance Written Off	2.82	51.42
Excess Provision/Balances Written Off	(23.15)	(85.63)
Depreciation Written Back	(0.03)	(4.36)
Interest Expenses	128.30	102.14
Interest Received	(16.05)	(1.85)
Operating Profit before Working Capital changes adjusted for :	<u>181.16</u>	<u>297.37</u>
Trade & Other Receivables	(139.00)	412.37
Inventories	(99.80)	29.13
Trade Payable	(60.64)	(411.55)
Cash generated from operations	<u>(118.27)</u>	<u>327.32</u>
Income Tax Paid	(4.90)	(12.28)
Cash Flow before Extra Ordinary Items	<u>(123.17)</u>	315.04
Adjusted prior period items	(0.22)	(0.92)
Net Cash from/(used in) Operating Activities	<u>(123.39)</u>	<u>314.12</u>
B : CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(51.74)	(130.72)
Sale of Fixed Assets	0	89.12
Interest Received	16.05	1.95
Net Cash from/(used in) Investing Activities	<u>(35.69)</u>	<u>(39.65)</u>
C : CASH FLOW FROM FINANCING ACTIVITIES		
Acceptance/repayment of Unsecured Loans & DPC	196.50	127.68
Repayment of Long Term Loans	(10.62)	(80.96)
Net increase/(decrease) in Bank Borrowings	20.89	(74.20)
Foreign Exchange Forward Risk Premium	13.61	(10.56)
Interest Paid	(128.30)	(167.71)
Net Cash from/(used in) Financing Activities	<u>92.09</u>	<u>(205.75)</u>
Net increase/(decrease) in Cash & Cash Equivalents	<u>(66.99)</u>	68.72
Opening Balance of Cash & Cash Equivalents	121.11	52.39
Closing Balance of Cash & Cash Equivalents	<u>54.12</u>	<u>121.11</u>

TWENTY SECOND ANNUAL REPORT

SCHEDULE 'M' OF SIGNIFICANT ACCOUNTING POLICIES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011.

A) Basis of Preparation of Financial Statements :-

1. The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act 1956, except as stated herein below.
2. The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
3. The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognized in the period in which the result is known & materialized.

(B) Fixed Assets :-

Fixed Assets are taken at cost as reduced by Cenvat and accumulated depreciation thereon. Costs include borrowing costs till the date of asset is ready for commercial use.

(C) Depreciation & Amortisation :-

1. Depreciation is provided on Straight line method except depreciation is provided on written down value method in respect of plant & machinery of SO3 unit at the rate and in the manner prescribed in schedule XIV to the Companies Act, 1956
2. Depreciation on incremental cost arising on account of transaction of foreign currency liabilities for acquisition fixed assets is amortized over the residual life of the respective assets.
3. Premium on leasehold land is amortized over the lease period.
4. Goodwill and Trade marks are amortized over a period of five and ten years respectively.

(D) Foreign Exchange Transaction :-

1. Foreign currency transaction remaining unsettled at the end of the year & not covered by foreign exchange contracts are translated at year end rate.
2. In respect of the transactions covered by forward contracts, the difference between the contract rate & the rate on the date of transaction is charged to Profit & loss account over the period of the contract.

(E) Inventories :-

1. Inventories are valued at cost except of finished goods and by products. Finished goods are valued at lower of cost or market value and by products are valued at market value.

(F) Sales :-

1. Sales are net of discounts but include inter-unit transfer, Excise duty, tax on sales and Vat.

(G) Employee benefits :-

1. Short - Term employee benefits are recognized as expenses at the undiscounted amount in the Profit & loss account for the year in which the related services are rendered.
2. Post employment and other long term employee benefits are recognized as expenses in the profit & loss account for the year in which the employee has rendered services. The gratuity is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to the profit & loss account. Liability for leave encashment is provided considering the retirement of employees at the year end.

(H) Investment :-

1. Investment is carried at cost.

(I) Taxes of Income :-

1. Taxes on income for current period have been determined on the basic of taxable income and tax credits have been computed in accordance with the provision of Income tax act, 1961.

(J) Impairment of Assets :-

The carrying amount of assets other than the inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment .If any, such indication exist the recoverable amount of the assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is difference of the net selling price and value in use which is determined based on the estimated future cash flow discounted on their present values. All Impairment losses are recognized in Compliance with AS-28

An Impairment Loss is reversed if there has been a change in estimated use to determine the recoverable amount and recognized in compliance with AS-28.

(K) Provision, Contingent Liabilities and Contingent Assets :-

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and its is probable that there will be outflow of resources, contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

As per our Report of the even date attached

For Mittal Gupta & Company

Chartered Accountants

Firm No. CO1874

Akshay K. Gupta

Partner

M.No. : 70744

Date : 28.11.2011

Place : Kanpur

SCHEDULE N OF NOTES FORMING PART OF THE ACCOUNTS

	As at 31.3.2011 Rs. in Lacs	As at 31.3.2010 Rs. in Lacs
1. Contingent Liabilities on account of		
a) Excise Duty Demand in dispute	6.49	8.99
b) Service Tax demand in dispute	5.37	-
c) Sale /Trade Tax Demand in dispute	40.57	124.87
d) Entry Tax Demand in dispute	13.36	20.84
e) Electricity Demand in dispute	Nil	Nil
2. Details of Pending Cases and disputed amount before adjudicating authority of Central Excise, Service Tax/Trade tax/ Sales tax department/authority.		

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Details of Disputed Demand

PARTICULARS	Financial Year to which matter pertains	Adjudicating authority where dispute is pending	Unit	Amount (Rs. in Lacs)	
.....(A) Central Excise duty/ Penalty in Dispute	2004-05	Hon'ble High Court, Allahabad	Rania, Kanpur	2.25	
	2004-05	CESTAT, New Delhi	Rania, Kanpur	4.24	
			Total (A)	6.49	
.....(B) Service tax in dispute	2004-05 to 2008-09	CESTAT, New Delhi	Mandideep, Bhopal	5.37	
			Total (B)	5.37	
.....(C) Trade Tax in Dispute	2002-03	Joint Commissioner, (Appeals), Kanpur	Rania, Kanpur	4.24	
	2004-05	Joint Commissioner, (Appeals), Kanpur	Rania, Kanpur	3.89	
	2005-06	Joint Commissioner, (Appeals), Kanpur	Rania, Kanpur	9.99	
	2007-08	Joint Commissioner, (Appeals), Kanpur	Rania, Kanpur	9.35	
	2010-11	Joint Commissioner, (Appeals), Kanpur	Rania, Kanpur	1.92	
	Central Sales Tax Demand Under MPST Act, 1956	2001-02	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	1.88
		2002-03	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	0.01
		2003-04	Commercial Tax (Tribunals), Bhopal	Mandideep, Bhopal	3.25
		2006-07	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	0.50
	M.P Commercial tax demand in dispute	2002-03	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	0.03
		2004-05	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	0.84
		2007-08	Dy. Commissioner, (Appeals), Bhopal	Mandideep, Bhopal	4.67
				Total of (C)	40.57
(D) Entry Tax Demand in dispute	2004-05 to 2007-08	Hon'ble High Court, Allahabad.	Rania, Kanpur	10.66
		2008-09	Asst. Commissioner, Bhopal	Mandideep, Bhopal	2.70
			Total of D	13.36	

- In View of the stay of Allahabad High Court against the recovery of Entry Tax on certain products traded by the company, entry tax aggregating to Rs. 10.66 Lacs has not been deposited and provided for.
- Cash Credit and Demand loan from bank is secured by hypothecation of raw materials, work in progress, finished

goods, book debts and collaterally secured by way of second charge on the fixed assets of the company and first charge on immovable property owned by other body corporate and further guaranteed by the three directors of the company and other body corporate.

5. Equipment and vehicle Loans are secured by hypothecation of respective equipments and vehicles.
6. Amount of Sales includes inter-unit transfer of Products at selling price Rs. 25,904,332 (Previous Year Rs. 17,096,502).
7. **Advance includes :**

	31.3.2011	31.3.2010
	Rs. in Lacs	Rs. in Lacs
(a) Due From Directors	0.25	-
Maximum Balance	0.25	-
(b) Due From Private Ltd. Companies and firms in which directors are interested	30.51	6.23
8. PAYMENT MADE TO STATUTORY AUDITORS		
(a) As Auditors		
Audit Fees	75,000.00	75,000.00
Tax Audit Fees	35,000.00	35,000.00
(b) Reimbursement of expenses	23,424.00	37,048.00
9. MANAGERIAL REMUNERATION		
Salaries to Director	-	1,920,000
Sitting Fees	8,000	32,000
10. DETAILS OF PRIOR PERIOD EXPENSES		
Taxes	2,610	14,132
Travelling Expenses	12,535	-
Salary	-	-
Telephone	11,320	-
Other Expenses	43,002	256,176
	69,467	270,308

11. Some of the suppliers, Debtors, Advances and Unsecured Loans accounts are subject to confirmation/Reconciliation, settlement of claims and encashment/realization of Cheques in hand /issued.

12. In the view of Management

- (i) No provision is required to be made for any impairment loss as in the opinion of the Management the recoverable amount of the assets of the each unit is much more than the value stated in the accounts.
- (ii) The realizable value of all current assets, in the normal course of business, is not less than the value stated in the balance sheet.

13. During the year gratuity has been provided on adhoc basis in absence of actuarial valuation.

14. DISCLOSURE REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES (DEVELOPMENT) ACT, 2006.

In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under the Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.

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15. Disclosure of related parties Transactions :

Name of the related parties with whom transactions were carried out during the year and description of relationship :

A. Key Management persons (KMP) and their relatives

- (i) Mr. Pawan Kumar Garg, Chairman & Managing Director
- (ii) Mr. Atul Kumar Garg, Whole Time Director
- (iii) Mr. S. P. Tayal, Director
- (iv) Mr. Ankur Garg, Director
- (v) Mr. Aditya Garg, Son of Director
- (iv) Mr. Kunal Garg

B. Enterprises where KMP have significant influence

- (i) M/s Standard Sulphonators (P) Ltd.
- (ii) M/s Industrial Enterprisers, Kanpur
- (iii) M/s Kashi Prasad Roop Kishore
- (iv) M/s Standard Ventures Ltd.
- (v) M/s Sudhir Kumar Gautam Kumar
- (vi) M/s Standard Ganpati Merchandise (P) Ltd.

I. Details of Transactions		Rs. in Lacs			
		Enterprises over where KMP have Significant influence		KMP & Relative	
		2010-11	2009-10	2010-11	2009-10
1.	Sale of goods	403.79	223.22	-	-
2.	Interest Expenses	5.3	11.00	-	-
3.	Advance / Loan given	121.99	37.54	-	-
4.	Refund of advance / Loan	96.99	36.01	-	-
5.	Loan Received	579.51	377.72	-	-
6.	Loan Repaid	430.26	248.68	-	-
7.	Expenses-Salary	-	-	1.03	1.20
8.	Purchase of goods	0	1.35	-	-
9.	Rent Received	0	3.60	-	-
10.	Remuneration	-	-	-	19.20
11.	Sitting Fees	-	-	0.08	0.32
II. Amount due to / from related parties					
(i)	Account Receivable	30.50	5.50	0.25	-
(ii)	Account Payable	-	2.58	5.21	1.18
(iii)	Unsecured Loan	139.79	160.00	57.05	29.27
(iv)	Security Deposit Given	50.00	50.00	-	-

STANDARD SURFACTANTS LTD.

16. Basic and diluted Earning Per Shares (EPS)	2010-11	2009-10
Basic and diluted Earning Per Shares (EPS)		
Profit after tax as per accounts (Rs. in Lacs)	9.93	52.84
Weighted Numbers of Shares Outstanding	7147600	7147600
Basic and diluted Earning Per Shares of Rs. 10/- each (EPS)	0.14	0.74

17. Segment Reporting

(a) Segment Identification

Business segments have been identified on the basis of the nature of products.

(b) Segment Composition

Chemicals and Surface Active Segment - engaged in the Manufacture and sale of specialty Chemicals in detergent, Personal care and pesticides industry, Synthetic Detergent – engaged in manufacturing of Synthetic Detergent, Others – engaged in Trading and other activities.

(c) Segment Reporting

					(Rs. In Lacs)
Particulars	Chemicals & Surface Active Segment	Synthetic Detergent Segment	Other	Unallocate	Total
Sales including Excise Duty					5202.3
External	1920.81 (1569.86)	1032.95 (1480.81)	2248.54 (1705.96)	-	(4756.63)
Inter Segment	259.04 (170.97)	-	-	-	259.04 (170.97)
Total Sales	2179.85 (1740.83)	1032.95 (1480.81)	2248.54 (1705.96)	-	5461.34 (4927.60)
Result					207.38
Segment Result	119.3 (101.70)	14.85 (59.00)	73.22 (110.96)	-	(271.66)
Unallocable Corporate Expenditure (Net of Income)					82.63 (107.75)
Operating Profit (PBIT)					124.75 (163.91)
Interest Expenses					112.25 (100.29)
Profit before Tax					12.50 (63.62)
Provision for Tax– including FBT					2.58 (10.78)
Profit after Tax					9.93 (52.84)
Other Information					3027.8
Segment Assets	1072.81 (1173.90)	671.47 (822.76)	948.00 (714.85)	335.51 (303.23)	3027.8 (3014.74)
Segment Liabilities	158.90 (204.78)	107.23 (78.32)	61.89 (81.61)	1335.58 (1139.15)	1663.61 (1503.86)
Capital Expenditure	37.64 (72.69)	3.36 (13.06)	11.51 (5.10)	5.61 (39.87)	58.12 (130.72)
Depreciation	51.44 (81.45)	5.11 (45.14)	0.05 (0.41)	5.7 (4.13)	62.93 (131.13)

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18. Information pursuant to the provisions of Paragraphs 3 and 4 of part II and schedule VI of the Companies Act, 1956.
(Quantity in M.T.)

(A) Licensed and Installed Capacities and Production Cost of products	Licensed Capacity	Installed Capacity	Actual Production	
(i) Chemicals and surface-Active Agents	(N/A)	19550	10827	
(ii) Detergents	(N/A)	(19550)	(10426)	
		(48000)	(5994)	
* Including production on job work basis				
Chemicals	10203 M.T.	(9411) M.T.		
(B) Purchase	2010-2011		2009-2010	
	Qty (MT)	(Rs.)	Qty (MT)	(Rs.)
Detergents	199	16,597,067	-	-
Chemicals	1736	229,662,167	2566	164,185,495
Others	-	-	-	-
		<u>246,259,234</u>		<u>164,185,495</u>
(C) Sales (Including Job work)				
(i) Chemicals and Surface Active Agents	10779	217,985,306	10406	174,082,686
(ii) Detergents	4378	103,294,533	6256	148,080,601
(iii) Chemicals (Trade)	1810	224,853,714	2536	170,595,377
(iv) Others	-	-	-	-
		<u>546,133,553</u>		<u>492,758,664</u>
(D) I Opening Stock				
(a) Finished Goods				
(i) Chemicals and Surface Active Agents	108	5,453,418	88	3,410,974
(ii) Detergents	57	644,680	319	5,190,787
(iii) Chemicals (Trade)	74	3,064,582	44	2,406,202
(iv) Others	-	-	-	-
		<u>9,162,680</u>		<u>11,007,963</u>
ii) Closing Stock				
(a) Finished Goods				
(i) Chemicals and Surface Active Agents	175	4,212,175	108	5,453,418
(ii) Detergents	53	605,009	57	644,680
(iii) Chemicals (Trade)	179	12,489,946	74	3,064,582
(IV) Others	-	-	-	-
		<u>17,307,130</u>		<u>9,162,680</u>

STANDARD SURFACTANTS LTD.

(E) Raw Material Consumed	2010-2011		2009-10	
	Qty (MT)	(Rs.)	Qty (MT)	(Rs.)
(i) Liner Alky Benzene	201	17,859,454	170	13,854,740
(ii) AOS	827	2,632,136	114	3,930,873
(iii) Acid Slurry	773	56,396,429	1227	81,682,288
(iv) Soda Ash	402	7,505,852	637	11,566,681
(v) STPP	49	2,635,578	215	11,298,049
(vi) Other Raw Material & Packing Material		57,993,911		65,087,281
		<u>138,268,360</u>		<u>187,419,912</u>

(F) Stores Consumed	Value		Value	
Class of Products		%		%
(i) Imported	-	-	-	-
(ii) Indigenous	5,170,019	100%	1,945,467	100%

(G) Raw Material Consumed	Value		Value	
		%		%
(i) Imported			3,301,517	1.76
(ii) Indigenous	138,268,360	100	184,118,395	98.24
	<u>138,268,360</u>	<u>100.00</u>	<u>187,419,912</u>	<u>100.00</u>

(H) CF Value - Import		
Purchase of Raw Material	-	3,301,517
Purchase of Spares & Capital Goods	-	779,650
(i) Expenditure in Foreign Currency - Interest (On payment basis)	4,296,317	5,105,110

19. The detergents plants at Rania & Mandideep (Bhopal) are not in operation, during the year and there are no immediate plans to operate the same. In view thereof, no depreciation is provided in respect of the two units. Further amount is not ascertained.
20. During the year the method of depreciation on the plant & machinery of So3 unit at Mandideep has been changed from straight line method to written down value method at the rate prescribed under the companies act, 1956. Accordingly, the arrear of depreciation from the initial use of machinery to the beginning of the current year amounting to Rs. 156.62 lakhs has been charged to the opening balance of the general reserve & the depreciation for the year are reduced by Rs. 35.02 lakhs.
21. The Previous year's figures have been reworked or regrouped and reclassified whenever necessary

Signature of Schedules A to N

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants

Akshay K. Gupta

Partner

M. No. 70744

Date : 28.11.2011

Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg

Chairman and Managing Director

Atul Kumar Garg

Whole-time Director

TWENTY SECOND ANNUAL REPORT

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

CIN No. L24243UP1989PLC010950 State Code 2 0
 Balance Sheet Date 3 1 0 3 2 0 1 1
 Date Month Year

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue - - - - - - - - - - Rights Issue - - - - - - - - - -
 Bonus Issue - - - - - - - - - - Private Placement - - - - - - - - - -

3. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities 2 6 7 6 3 2 1 7 3 Total Assets 2 6 7 6 3 2 1 7 3

Sources of Funds

Paid-up Capital - 7 1 1 2 6 2 0 0 Reserves and Surplus - 6 5 2 9 2 5 6 7
 Secured Loans - 7 7 8 1 2 8 9 8 Unsecured Loans - 5 3 4 0 0 5 0 8
 Deferred Tax - - - - - - - - - -

Application of Funds

Net Fixed Assets 1 0 7 8 7 7 9 6 1 Investments - - - - - - - - - -
 Net Current Assets 1 5 9 7 5 4 2 1 2 Misc. Expenditure - - - - - - - - - -
 Accumulated Losses - - - - - - - - - -

4. Performance of Company (Amount in Rs.)

Turnover 5 4 6 1 3 3 5 5 3 Total Expenditure 5 4 4 8 8 3 1 6 7
 Profit Before Tax - - 1 2 5 0 3 8 6 Profit After Tax - - - 9 9 2 6 4 8
 Earning per Share in Rs. 0 . 1 4 Dividend - - -

5. Generic Names of Principal Products of the Company (as per monetary terms)

Item Code No. (ITC Code) 3 4 0 2 . 1 1
 Product Description Linear Alkyl Benzene Sulphonate
 Item Code No. (ITC Code) 3 4 0 2 . 9 0
 Product Description Synthetic Detergents

For and on behalf of the Board

Pawan Kumar Garg
 Chairman and Managing Director

Atul Kumar Garg
 Whole-time Director

Date : 28.11.2011
 Place : KANPUR

STANDARD SURFACTANTS LIMITED

Regd. Office : 8/15, Arya Nagar, Kanpur

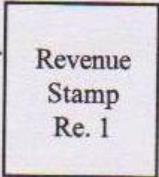
FORM OF PROXY

I/We.....
of.....

in the District of being a member/members of the Above named Company, hereby
appoint..... of in the District of
.....or failing him/her..... of..... in the
District ofas my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty
Second Annual General Meeting of the Company to be held at 8/15, Arya Nagar, Kanpur-208 002 at 11.30 A.M. on
Thursday, 29th December, 2011 and at any adjournment thereof.

As witness my/our hand/s this.....day of.....2011

Signature by the said



Ledger Folio No.....

No. of Shares Held.....

Note : The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the
scheduled time for holding the meeting.

.....(TEAR HERE).....

STANDARD SURFACTANTS LIMITED

Regd. Office : 8/15, Arya Nagar, Kanpur.

ATTENDANCE SLIP

(Please complete the Attendance Slip and hand it over at the entrance of the meeting hall. Please also bring your copy of the
Annual Report)

I hereby record my presence at the 22nd Annual General Meeting of the Company being held on Thursday, 29th December,
2011.

Member's /proxy name (in Block Letters)

Signature of Shareholder/Proxy.....

Ledger Folio No.

No. of Shares held.....

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8/15, Arya Nagar,
Kanpur-208 002

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