

STANDARD SURFACTANTS LTD.

Annual Report

2012-2013

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 ABHISHEK MEHROTRA
Shri ASHOK KUMAR GUPTA
Shri GOPAL DASS AGARWAL

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) 24-A, 24-B, NEW SECTOR
INDUSTRIAL AREA, MANDIDEEP
RAISEN (M.P.)
(II) 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 FOURTH ANNUAL REPORT

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Standard Surfactants Ltd. will be held on Saturday, the 28th December, 2013 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, 2013 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. Ankur Garg, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr. Purshottam Das 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 an Ordinary Resolution :

"RESOLVED THAT Mr. Ashok Kumar Gupta, who was appointed as an additional Director pursuant to provision of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director whose term of office is liable to retire by rotation in accordance with the provisions of Section 256 of the said Act."

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

"RESOLVED THAT Mr. Gopal Dass Agarwal, who was appointed as an additional Director pursuant to provision of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director whose term of office is liable to retire by rotation in accordance with the provisions of Section 256 of the said Act."

By order of the Board
For STANDARD SURFACTANTS LTD.

Place : Kanpur
Date : 31.10.2013

PAWAN KUMAR GARG
Chairman & Managing Director

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a 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 Monday, 23rd December, 2013 to Saturday, 28th December, 2013 (both days inclusive).
3. Explanatory Statement in accordance with Section 173 of the Companies Act, 1956 in respect of item no 5 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".
5. 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.
6. 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.
7. Those member who have shares in physical form are requested to expeditiously inform their email address to the Company at 8/15 Arya Nagar, Kanpur-208002, Tel.: +91- 0512- 2531762, Fax: +91- 0512- 2548585 Email: headoffice@standardsurfactants.com or to 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

EXPLANATORY STATEMENT

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

Item No. 5

Mr. Ashok Kumar Gupta was appointed as an additional Director of the Company on 30-04-2013 pursuant to Section 260 of the Companies Act, 1956, and he ceases to be Director of the Company at the ensuing Annual General Meeting of the Company. Pursuant to provisions of Section 257 of the Companies Act, 1956 he has left with the Company his consent to act as rotational Director of the Company, if appointed along with necessary fee. Your Directors therefore, recommend the Resolution under item no. 5 to be passed as an Ordinary Resolution.

None of the Directors of the Company is, either directly or indirectly, interested in the Resolution except as Shareholder generally.

Item No. 6

Mr. Gopal Dass Agarwal was appointed as an additional

Director of the Company on 30-04-2013 pursuant to Section 260 of the Companies Act, 1956, and he ceases to be Director of the Company at the ensuing Annual General Meeting of the Company. Pursuant to provisions of Section 257 of the Companies Act, 1956 he has left with the Company his consent to act as rotational Director of the Company, if appointed, along with necessary fee. Your Directors therefore, recommend the Resolution under item no. 6 to be passed as an Ordinary Resolution.

None of the Directors of the Company is, either directly or indirectly, interested in the Resolution except as Shareholder generally.

By order of the Board
For STANDARD SURFACTANTS LTD.

PAWAN KUMAR GARG
Chairman & Managing Director

Place: Kanpur
Date : 31.10.2013

TWENTY FOURTH ANNUAL REPORT

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors present the Twenty Fourth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

	Current year ended on 31.03.2013	(Rs. in Lacs) Previous Year ended on 31.03.2012
Revenue from Operations :		
Sales (Net of Excise duty)	4887.72	3947.16
Other Operating Revenue	117.86	562.08
Other Income	162.22	10.92
Total Revenue	5167.80	4520.16
Profit before Interest and depreciation	275.59	253.28
Finance cost	172.17	168.63
Depreciation	64.50	62.84
Profit/(Loss) before tax	38.92	22.30
Provision for taxation/ Income tax adjustment	7.45	3.88
Net Profit/ (Loss) for the period	31.47	26.18

Operational Review :

During the year Sales has marginally increased from Rs. 3947.16 Lacs to Rs. 4887.72 Lacs in the previous year. Profit after tax increased to Rs. 31.47 Lacs from Rs. 26.18 Lacs in the previous year.

Finance cost for the year increased by 2% amounting to Rs. 172.17 Lacs from Rs. 168.63 Lacs in the previous year.

Depreciation was at Rs. 64.50 Lacs as against Rs. 62.84 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.

Auditors' Report

The comments made in the Auditors' Report are self explanatory and need no further elucidation.

Directors

Mr. Subhash Chandra Chugh has resigned from the post of Directorship w.e.f 31.07.2013 and Mr. Ashok Kumar Gupta and Mr. Gopal Dass Agarwal have been appointed Additional Director w.e.f 30.04.2013. Mr. Ankur Garg and Mr. Purshottam Das Garg are retiring by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

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.

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 : 31.10.2013

PAWAN KUMAR GARG
Chairman & Managing Director

(Faint, illegible table content)

TWENTY FOURTH ANNUAL REPORT

ANNEXURE 'I'

TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2013

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

	Current Year	Previous Year
Units	1991893	2098182
Amount in Rs.	12896272	12272631
Rate / Unit	6.47	5.85

b) Own Generation

(i) Through Diesel Generator		
Unit Generated	44304	16560
Amount in Rs.	895487	943738
Cost / Unit	20.21	56.99
(ii) Through Steam Turbine :	Not Used	Not Used
Unit	-	-
Unit per litre of fuel Oil /Gas	-	-

2. COAL/WOOD (Used in Boiler)

Qty. Consumed (Kg.)	1143625	826945
Amount in Rs.	5110641	3825104
Cost/Unit	4.47	4.63

3. FURNACE OIL (Used in Boiler)

Unit Consumed (Ltrs.)	8002	11693
Amount in Rs.	348178	273614
Cost/Unit	43.51	23.40

C. FOREIGN EXCHANGE EARNINGS :

C. FOREIGN EXCHANGE EARNINGS :	-	1866672
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D. FOREIGN EXCHANGE OUTGO :

D. FOREIGN EXCHANGE OUTGO :	24942431	8053630
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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, 2012 and ending on March 31, 2013.

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 Clause 41 relating to Quarterly Results and composition of Audit Committee of the listing agreement with the stock exchange. Further, trading of Company's shares on BSE is suspended for several years.

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.

Place : Kanpur
 Date : 31.10.2013

For SARVESH S. SRIVASTAVA
 Company Secretaries
 CP No.3919

ANNEXURE TO DIRECTORS' REPORT

REPORT OF CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY :

The Company strongly believes in the practices of good Corporate Governance. The Company's essential character is shaped by the very values of transparency, professionalism and accountability. The Company endeavors to improve on these aspects on an ongoing basis.

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, 2013, the strength of the board of directors of the Company was Six out of which two 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,

- April 30th 2012,
- July 31st 2012,
- September 27th 2012,
- October 25th 2012,
- January 31st 2013.

Details regarding Directors of the Company as on 31.03.2013 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. Subhash Chandra Chugh	Director	-	-	04	No
Mr. Abhishek Mehrotra	Director	-	01	04	No
Executive Directors					
Mr. Pawan Kumar Garg	Chairman & Managing Director	-	-	03	Yes
Mr. Atul Kumar Garg	Whole Time Director	Y	01	03	Yes
Mr. Ankur Garg	Whole Time Director	Y	03	04	Yes

Note : Mr. Subhash Chandra Chugh has resigned w.e.f. 31.07.2013.

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(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 service.
- 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

*Note : Mr. Subhash Chandra Chugh has resigned w.e.f. 31.07.2013

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

STANDARD SURFACTANTS LTD.

Mr. Atul Kumar Garg	1	1
Mr. Subhash Chandra Chugh	1	1

*Note : Mr. Subhash Chandra Chugh has resigned w.e.f. 31.07.2013

3. INVESTOR GRIEVANCE COMMITTEE :

Terms of Reference

To redress shareholders/ investors grievances relating to

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

Composition

Mr. Atul Kumar Garg : Executive Director

Mr. Pawan Kumar Garg : Executive Director

Meetings and attendance during the year

Members	Meetings Held	Meetings Attended
Mr. Pawan Kumar Garg	4	4
Mr. Atul Kumar Garg	4	4

4. SHARE TRANSFER COMMITTEE :

Terms of Reference

- i) Transfer of Shares
- ii) Issue of Duplicate Share Certificates.
- iii) Change of address of Shareholders.

Composition

Mr. Atul Kumar Garg : Executive Director

Mr. Pawan Kumar Garg : Executive Director

Meetings and attendance during the year

Members	Meetings Held	Meetings Attended
Mr. Atul Kumar Garg	4	4
Mr. Pawan Kumar Garg	4	4

Compliance Officer

Company Secretary of the Company is Compliance Officer in terms of the Listing Agreement.

5. GENERAL BODY MEETINGS :

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

Financial Year	Date	Time	Location
2009-2010	30.11.2010	11.30 A.M	8/15 Arya Nagar, Kanpur
2010-2011	29.12.2011	11.30 A.M	8/15 Arya Nagar, Kanpur
2011-2012	24.12.2012	11.30 A.M	8/15 Arya Nagar, Kanpur

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

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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 Pioneer and 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) 24th Annual General Meeting :

Venue : Registered Office
Time : 11.30A.M
Day & Date : Saturday, 28th December 2013

(ii) Book Closure :

The Register of Members and Share Transfer Book of the Company will remain closed from Monday, 23rd December 2013 to Saturday, 28th December 2013 (both days inclusive.)

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

S.No. Name of the Stock Exchange

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.

STANDARD SURFACTANTS LTD.

(ii) Distribution of Share Holding :

(a)	S.No.	Shareholding of Nominal value of	Share Holder		No. of Shares
			Number	% age to total	
	1.	Upto - 500	13969	94.87	2037200
	2.	501 - 1000	505	3.43	396000
	3.	1001 - 2000	151	1.03	224100
	4.	2001 - 3000	22	0.15	51900
	5.	3001 - 4000	13	0.09	44300
	6.	4001 - 5000	10	0.07	46000
	7.	5001 - 10000	19	0.13	147500
	8.	10001 & Above	34	0.23	4200600
		Total	14710	100.00	7147600

The Distribution of Share holding as on 31st March, 2013 was as follows :

(b)	Category	No. of shares held	Percentage of Shareholding
	A. Promoters Holding		
	1. Indian Promoters	4161900	58.23
	Foreign Promoters		
	2. Person Acting in concert :		
	Sub Total	4161900	58.23
	B. Non - Promoters Holding		
	3. Institutional Investors		
	Mutual Funds, Banks, Financial Institutions, Insurance Companies, (Central / State Govt. Institutional/ Non-Govt. Institution)	8700	0.12
	Sub Total	8700	0.12
	4. Others		
	a. Private Corporate Bodies	100200	1.40
	b. Indian Public	2166000	30.31
	c. NRIs/OCBs	710800	9.94
	d. Any Other	-	-
	Sub Total	2977000	41.65
	Grand Total	7147600	100.00

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(iii) Plant Location :

- | | |
|---|--|
| (a) Mandideep Plant
(Madhya Pradesh) | 24A & B, New Sector,
Industrial Area, Mandideep,
Bhopal - 462046 (MP). |
| (b) Paonta Sahib Plant
(Himanchal Pradesh) | Plot No. 114, Gondpur
Industrial Area, Poanta Sahib,
(H. P.). |

(iv) 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

(v) 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 of Corporate Governance. Since the Company has implemented the Corporate Governance Code during the FY 2012-13, the Company Secretary's Certificate in respect of Compliance thereof is enclosed in this Annual Report.

Place : Kanpur

Date : 31.10.2013

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, 2013.

For STANDARD SURFACTANTS LIMITED

Place : Kanpur

Date : 31.10.2013

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 monitoring 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 if any, in internal control over financial reporting during the year,
 - ii. Significant changes if any, in Accounting Policies during the year and the same have been disclosed in the notes to the financial statements.
- 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, if any.
- 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

Place : Kanpur
Date : 31.10.2013

PAWAN KUAMR GARG
Chairman and Managing Director

TWENTY FOURTH ANNUAL REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR 2012-13

CAUTIONARY STATEMENT

This discussion and analysis contains forward-looking statements that involve risks and uncertainties. The report describing the Company's objectives, projections, estimates and expectations any is forward-looking statement with the meaning of applicable securities laws and regulations. The forward looking statements have as their basis certain assumptions and expectations about behavior or out come of future events and or economic variations. The company's operations may be affected by these economic conditions, demand and supply scenarios, pricing conditions, market conditions in which the company operates changes in the Government Policies, changes in various laws and other incidental factors. The Company therefore, does not guarantee that these future events and or economics uncertainties will materialize in the same way they are assumed or project. Actual performance of the Company could thus differ materially which compared with projection made in the "forward looking statements."

BUSINESS OUTLOOK

Your company has chalked out massive expansion/ diversification plan to build size and manufacture/ trade such product to become more competitive. These expansion plans will help the company to create a foothold in the domestic market.

ECONOMY & MARKET TREND

The inflationary situation in the economy continues to be cause of concern in FY 2012-13. Increasing International oil prices, likely decontrol of diesel prices, high global food prices and higher minimum support price for upcoming agriculture season are some of the factors that constitute the upside risks to inflation.

Further, intensifying trends in interest rates, raw materials cost and fuel prices, likely to slow down the economics scenario in Asian economy as well as international economy.

COMPANY'S PRODUCTS

The Company has diversified portfolio of Detergents and Surfactants. Your Company is one of the leading fast 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.

Currently the manufacturing facilities of the Company are located plant at Mandideep, Bhopal and Paonta Shaib, Himnachel 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

The company has internal control system commensurate with the nature and size of the business to ensure safeguarding of assets, reliable financial reporting & compliance with applicable rules and regulations.

HUMAN RESOURCES

The management believes that the employee working at various locations and levels are performing vital role to achieve success of the Company. They continuously play the significant role to deliver the credible performance year after year. The management and employees of the Company are committed towards maintaining of harmonious industrial relations.

ENVIRONMENT AND SAFETY

Your Company remains complaint with health, safety & environment obligations as applicable for plant operations. The

company has obtained requisite environment consent and approvals for its various production units from the respective competent authorities and is conscious of its responsibility towards creating, maintaining and ensuring a safe & clean environment for sustainable development.

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 : 31.10.2013

For Standard Surfactants Limited
PAWAN KUMAR GARG
Chairman & Managing Director

TWENTY FOURTH ANNUAL REPORT

INDEPENDENT AUDITORS' REPORT

To,
The Members of
STANDARD SURFACTANTS LIMITED
Kanpur

REPORT ON THE FINANCIAL STATEMENTS:

We have audited the Accompanying Financial Statements of STANDARD SURFACTANTS LIMITED, as at 31st March 2013, ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a Summary of Significant Accounting Policies and Other Explanatory Information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Sub-sec- (3C) of Sec-211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Modified opinion:

- (i) Liabilities of deferred tax has not been ascertained and provided for in accordance with Accounting Standard-22. Amount not ascertained
- (ii) The retirement and other benefits to employees are not ascertained, disclosed and provided for in accordance with AS-15 issued by The Institute of Chartered Accountants of India. We are unable to comment on the adequacy of provision for gratuity and retirement benefits in absence of actuarial valuation.
- (iii) Attention is invited to note no.37 of notes to accounts regarding non provision of depreciation on the fixed assets of the units not in operation. Amount not ascertained.
- (iv) The balance of various parties, whether payable or receivable, etc. including old balances appearing under current assets, loans and advances, and current liabilities are subject to confirmation and reconciliation from respective parties. The effect of such non confirmation and non-reconciliation of balances on the accounts of the company is not ascertainable.

MODIFIED OPINION:

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

STANDARD SURFACTANTS LTD.

- a) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31st 2013;
- b) In the case of the Profit & Loss Account, of the PROFIT for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Emphasis of Matter

The contingent liabilities as mentioned in Note No. 17 are confirmed by the management and accordingly relied upon by us. Our opinion is not qualified in this respect.

REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-sec (4A) of Sec-277 of the Act, we give in the Annexure a statement on the matters specified in Paragraphs 4 & 5 of the Order.
2. As required by Sec-227(3) of the Act, we report that:-
 - 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 account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. The Balance Sheet and Statement of Profit & Loss and cash flow statement dealt with by this Report are in Agreement with the Books of Account and with the returns received from branches not visited by us.
 - d. Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet and Statement of Profit & Loss comply with the Accounting Standards referred to in Sub-sec-(3C) of Sec-211 of the Companies Act, 1956.
 - e. On the basis of written representations received from the directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2013, from being appointed as a director in terms of Clause-(g) of Sub-sec-(1) of Sec-274 of the Companies Act, 1956.

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

AKSHAY K.GUPTA
Partner
Membership No. 70744

Place : Kanpur
Date : 27.09.2013

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 2013.

1. In respect of its fixed assets:

- a. The company has maintained fixed assets records showing particulars, including quantitative details and situation of fixed 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 are 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 substantial part of the fixed assets of any of its units.

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

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- 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 nine parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount due during the year is Rs.99.89 lacs and the year - end balance is Rs.58.79 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 ten parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs.596.72 lacs and the year - end balance due is Rs.248.15 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.
 - g) 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.
 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 an internal audit system which needs to be strengthened in terms of frequency and scope.

STANDARD SURFACTANTS LTD.

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:**
- According to the records of the Company, 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 with some delay 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. 4.96 lacs were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.
 - 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 any dispute are as per details given in note no. 17 of Notes to accounts.
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 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 : 27.09.2013

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

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BALANCE SHEET AS AT 31.03.2013

	Note No.	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	2	71,126,200		71,126,200	
(b) Reserves and Surplus	3	71,008,788		67,862,033	
(c) Money received against share warrants		-	142,134,988	-	138,988,233
(2) Share application money pending allotment	4	-		-	
(3) Non-Current Liabilities					
(a) Long-term borrowings	5	37,762,170		41,292,013	
(b) Deferred tax liabilities (Net)	6	-		-	
(c) Other Long term liabilities	9	2,651,998		2,628,919	
(d) Long term provisions	7	217,720	40,631,888	296,545	44,217,477
(4) Current Liabilities					
(a) Short-term borrowings	8	80,491,698		73,136,936	
(b) Trade payables	9	15,492,377		17,271,760	
(c) Other current liabilities	9	16,018,775		23,046,909	
(d) Short-term provisions	10	1,527,352		1,050,541	114,506,147
Total			113,530,202	1,050,541	114,506,147
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	113,200,031		112,159,239	
(ii) Intangible assets		240,000		240,000	
(b) Non-current investments					
(c) Deferred Tax Assets (Net)					
(d) Long term loans and advances	12	6,261,320		8,434,117	
(e) Other non-current assets	16	-	119,701,352	53,641	120,886,998
(2) Current assets					
(a) Current investments					
(b) Inventories	13	40,551,585		38,052,887	
(c) Trade receivables	14	101,703,146		100,577,124	
(d) Cash and bank balances	15	7,983,090		8,326,659	
(e) Short-term loans and advances	12	12,099,066		12,668,364	
(f) Other current assets	16	14,258,837	176,595,725	17,199,824	176,824,859
Total			296,297,078	17,199,824	297,711,857
III. Contingent Liabilities and Commitments¹⁷					
(To the extent not provided for)					
Significant Accounting Policies					

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay K. Gupta
Partner
M. No. 70744
Date : 27.09.2013
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, 2013

	Note No.	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I) Income					
Revenue from Operations	18		516,780,029		451,043,832
II) Other Income	19		2,707,191		971,580
III) Total Revenue (I + II)			<u>519,487,220</u>		<u>452,015,412</u>
IV) Expenses :					
Cost of materials consumed			151,394,455		146,805,566
Purchase of Stock-in-Trade	20		268,984,628		215,265,757
Changes in inventories of finished goods, work-in-progress	21		2,073,267		(3,229,341)
Employee benefit expenses	22		14,142,905		13,671,825
Financial costs	23		17,217,479		16,863,300
Depreciation and amortization expense	11		6,450,259		6,284,226
Other expenses	24		55,332,522		54,124,202
Total Expenses			<u>515,595,515</u>		<u>449,785,535</u>
V) Profit before exceptional and extraordinary items and tax (III - IV)			3,891,705		2,229,877
VI) Exceptional Items			-		-
VII) Profit before extraordinary items and tax (V - VI)			3,891,705		2,229,877
VIII) Extraordinary Items			-		-
IX) Profit before tax (VII - VIII)			<u>3,891,705</u>		<u>2,229,877</u>
X) Tax expense:					
Current tax		745,000		404,423	
Less : MAT Credit Entitlement		-		404,423	
Deferred Tax					
Income tax Adjustment					388,112
Add : Profit from Bhopal					
XI) Profit for the period (IX - X)			<u>3,146,705</u>		<u>2,617,989</u>
XII) Earning Per equity Share of Rs 10 Each					
Basic			0.44		0.37
Diluted					

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay K. Gupta
Partner
M. No. 70744
Date : 27.09.2013
Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director

Atul Kumar Garg
Whole-time Director

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

	Rs. in Lacs For the Year 2012-2013	Rs. in Lacs For the Year 2011-2012
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per P&L Account	38.92	21.81
Adjustment for net prior/extra ordinary items	0.00	1.56
Net Profit before tax and Extraordinary items	<u>38.92</u>	<u>23.37</u>
Adjusted for :		
Depreciation on Fixed Assets	64.50	62.84
Profit/Loss on sale of Assets	0.68	2.56
Foreign Exchange Forward Risk Premium	20.73	30.01
Bad Debts/Balance Written Off	20.50	19.22
Excess Provision/Balances Written Off	0.00	(7.67)
Depreciation Written Back	0.00	0.00
Balances Written Back	(17.46)	(7.67)
Interest Expenses	151.45	138.63
Interest Received	(16.10)	(8.68)
Operating Profit before Working Capital changes adjusted for :	<u>263.22</u>	<u>252.61</u>
Trade & Other Receivables	25.61	68.50
Inventories	(24.99)	2.71
Trade Payable	(67.08)	101.05
Cash generated from operations	<u>196.75</u>	<u>424.87</u>
Income Tax Paid	(7.45)	3.88
Cash Flow before Extra Ordinary Items	189.30	428.74
Adjusted prior period items	0.00	(1.56)
Net Cash from/(used in) Operating Activities	<u>189.30</u>	<u>427.18</u>
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(101.01)	(112.62)
Sale of Fixed Assets	25.42	2
Interest Received	16.10	8.68
Net Cash from/(used in) Investing Activities	<u>(59.49)</u>	<u>(101.93)</u>

STANDARD SURFACTANTS LTD.

	Rs. in Laacs For the Year 2012-2013	Rs. in Laacs For the Year 2011-2012
C : CASH FLOW FROM FINANCING ACTIVITIES		
Acceptance/repayment of Unsecured Loans.	(41.61)	-66.42
Acceptance / Repayment of Long Term Loans	6.99	13.27
Net increase/(decrease) in Bank Borrowings	73.55	(68.49)
Foreign Exchange Forward Risk Premium	(20.73)	(30.01)
Interest Paid	(151.45)	(138.63)
Net Cash from/(used in) Financing Activities	(133.25)	(290.27)
Net increase/(decrease) in Cash & Cash Equivalents	(3.44)	34.98
Opening Balance of Cash & Cash Equivalents	83.27	48.28
Closing Balance of Cash & Cash Equivalents	79.83	83.27

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay K. Gupta
Partner
M. No. 70744
Date : 27.09.2013
Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director

Atul Kumar Garg
Whole-time Director

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NOTE-1 SIGNIFICANT ACCOUNTING POLICIES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013.

(A) Basic of preparation of financial statements :

1. The financial statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principals and the provisions of the Companies Act 1956 , except: 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 statement 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 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 Company Act, 1956.
2. Depreciation on incremental cost arising on account of transaction of foreign currency liabilities for acquisition of 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 is translated at year end rates.
2. In respect of the transactions covered by forward contracts the difference between the contract rate & the rate on the date of transaction in charged to profit & loss account over the period of the contract.

(E) Inventories :

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 :

Sales are net of discounts but include inter-unit transfer and excise duty.

(G) Employee benefits :

1. Short – term employee benefits are recognized as expenses at the undiscounted amount in the profit & loss account of 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

STANDARD SURFACTANTS LTD.

profit & loss account. Liability for leave encashment is provided for considering retirement of employees at year end.

(H) Investment :

Investment is carried at cost.

(I) Taxes of income :

Taxes of income for current period has been determined on the basis of taxable income and tax credits computed in accordance with 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 assets or its cash generating unit exceeds its recoverable amount. The recoverable amount is the greater of the assets 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- 01874C

Akshay K. Gupta

Partner

M.No -70744

Place : Kanpur

Dated : 27.09.2013

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.		
NOTE - 2 : SHARE CAPITAL				
I) Authorised Capital				
10000000 (10000000) Equity Shares of Rs.10 each	100,000,000	100,000,000		
TOTAL	100,000,000	100,000,000		
Issued and subscribed capital				
Equity Share	-	-		
7147600 (7147600) Equity Shares of Rs.10 each fully paid up	71,476,000	71,476,000		
	71,476,000	71,476,000		
Paid up capital				
Equity Share	-	-		
7147600 (7147600) Equity Shares of Rs.10 each fully paid up	71,476,000	71,476,000		
	(349,800)	(349,800)		
	71,126,200	71,126,200		
II) Reconciliation of number of shares outstanding at the beginning and at the end of the period				
Equity Share	No.	Amount (Rs.)	No.	Amount (Rs.)
Authorised Capital				
No. of shares at the beginning of the year	10,000,000	100,000,000	10,000,000	100,000,000
Add : Addition during the year	-	-	-	-
No. of Shares at the end of the year	<u>10,000,000</u>	<u>100,000,000</u>	<u>10,000,000</u>	<u>100,000,000</u>
Issued and subscribed capital				
No. of shares at the beginning of the year	7,147,600	71,476,000	7,147,600	71,476,000
Add : Addition during the year	-	-	-	-
Less : Refunded during the year	-	-	-	-
No. of Shares at the end of the year	<u>7,147,600</u>	<u>71,476,000</u>	<u>7,147,600</u>	<u>71,476,000</u>
Paid up capital				
No. of shares at the beginning of the year	7,147,600	71,126,200	7,147,600	71,126,200
Add : Addition during the year	-	-	-	-
No. of Shares at the end of the year	<u>7,147,600</u>	<u>71,126,200</u>	<u>7,147,600</u>	<u>71,126,200</u>
III) Details of Shareholdings :				
No. of Equity Shares held by each Shareholder holding more than 5% Shares				
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
Ankur Garg	1,138,500	15.93	1,138,500	15.93
Atul Kumar Garg	549,500	7.69	549,500	7.69
Pawan Kumar Garg	374,800	5.24	374,800	5.24
Kunal Garg	750,000	10.50	359,300	5.03
Industrial Development Bank of India	-	-	390,700	5.47

Note : The Company has only one class of equity shares having at par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

STANDARD SURFACTANTS LTD.

Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013		As at 31.03.2012	
	Rs.	Rs.	Rs.	Rs.
NOTE-3 : RESERVES & SURPLUS :				
Securities Premium Reserve :				
Opening Balance	21,105,999	-	21,105,999	-
Add : Addition during the year	-	-	-	-
Less : call in arrear	(174,900)	20,931,099	(174,900)	20,931,099
Capital Reserve				
Opening Balance		2,380,988		2,380,988
Investment Allowance Reserve				
Opening Balance	-	348,000	-	348,000
Surplus :				
Opening Balance	44,201,994		41,632,481	
Less : transferred to general reserve				
Add : Profit for the period	3,146,706	47,348,701	2,569,465	44,201,946
TOTAL		71,008,788		67,862,033

NOTE-4 : SHARE APPLICATION MONEY PENDING ALLOTMENT :

I) Nil	-	-
TOTAL	-	-

NOTE-5 : LONG TERM BORROWINGS :

	As at 31st March, 2013		As at 31st March, 2012	
	Non-current Portion	Current maturities	Non-current Portion	Current maturities
I) Term Loans				
Secured -				
Rupee Term loan from Bank	-	-	-	-
Rupee term loan from non Banking Financial companies	1,995,654	639,593	1,364,652	572,067
		639,593		572,067
II) Unsecured Borrowings				
From related parties	18,382,945	-	16,132,467	-
From Others	17,383,571	-	23,794,894	-
	35,766,516	-	39,927,361	-
TOTAL	37,762,170	639,593	41,292,013	572,067

Notes :

Rupee Term Loans from non banking financial institution is :-

(a) Secured by first charge on hypothecation of three cars owned by the companies.

(b) Repayable monthly instalment of Rs.22242 (agreement no.CF4789851) Rs.17910 (agreement no.6882438) & Rs. 25,740 (agreement no.CF 6926179) are given against car loan.

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
NOTE-6 : DEFERRED TAX LIABILITY (NET) :		
Deferred tax liabilities :		
i) On account of differences in written down value of fixed assets	-	-
Deferred tax Assets :		
i) On account of timing difference of expenses which are allowable under Income Tax laws in subsequent years	-	-
TOTAL	-	-
 NOTE-7 : LONG TERM PROVISIONS :		
Provision of employee benefit	217,720	296,545
i) Provision for Gratuity	217,720	296,545
TOTAL	435,440	593,090
 NOTE-8 : SHORT TERM BORROWINGS :		
A. Secured :		
i) Loan repayable on demand from banks	1,492,365	-
Cash Credit from SBI	(43)	(43)
SBI CC A/c No. 31115336135	(11,947)	-
SBI CC A/c No. 31115335899	(456)	(480)
SBI - IFB (Book Debt) Loan	7,660,266	6,282,459
SBI - IFB (C/C A/C)	68,700,000	66,855,000
SBI-FCNRB (USD) Loan L.C. No.000041	2,651,513	-
ii) Loan repayable on demand from other parties	-	-
B Unsecured :		
Other Loans & Advances from Bank	-	-
Other Loans & Advances from related parties	-	-
TOTAL	80,491,698	73,136,936

1. CC Limits & FCNRB loan from bank are secured by hypothecation of fixed assets and current assets equitable mortgage of immovable properties owned by the company and further secured by personal guarantee by the directors of the company.

STANDARD SURFACTANTS LTD.

Notes annexed to and forming part of Accounts as at 31.03.2013

NOTE-9: TRADE PAYABLES & OTHER CURRENT LIABILITIES:

	As at 31st March, 2013		As at 31st March, 2012	
	Non-Current Portion	Current Maturities	Non-Current Portion	Current Maturities
Trade Payables	-	-	-	-
Raw Materials	2,636,743	11,623,770	2,599,762	11,872,845
Others :	15,255	3,868,607	-	5,398,915
	<u>2,651,998</u>	<u>15,492,377</u>	<u>2,599,762</u>	<u>17,271,760</u>
Other Current Liabilities :				
Current maturity of long term borrowing		782,424		572,067
Interest accrued but not due on borrowings				
Interest accrued and due on borrowings		1,406,156		3,000,682
Advance from Customers		5,676,311		7,571,687
Others :				
Statutory dues Payable	-	5,213,668	29,157	6,558,463
Other current liability		910,701		2,779,080
Creditors for Capital Expenditure		764,164		809,616
Provision for expenses		1,200,943		1,682,356
Imprest account of staff		64,408		72,959
TOTAL	<u>-</u>	<u>16,018,775</u>	<u>29,157</u>	<u>23,046,909</u>

NOTE-10 : SHORT TERM PROVISIONS :

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
i) Provision for Bonus	63,660	310,874
ii) Provision for Leave encashment	314,269	335,244
iii) Provision for tax	1,149,423	404,423
TOTAL	<u>1,527,352</u>	<u>1,050,541</u>

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NOTE - 11 : FIXED ASSETS AS AT 31.03.2013

Particulars of Assets	COST Rs.			DEPRECIATION Rs.			NET BLOCK Rs.		
	Rate of Dep.	As at 01.04.2012	Additions	As at 31.03.2013	Sales/ Adjustments	As at 01.04.2012	For the Year	As at 31.03.2013	As at 31.03.2012
1. Trade Mark	10.00%	3,500,000	-	3,500,000	-	3,500,000	-	3,500,000	-
2. Goodwill	20.00%	456,465	-	456,465	-	456,465	-	456,465	-
3. Free Hold Land	NIL	4,721,113	215,000	4,936,113	-	-	-	4,936,113	4,721,113
4. Leasehold Land	3.34%	1,767,182	-	1,767,182	-	292,095	31,049	1,444,039	1,475,088
5. Factory Building	3.34%	79,917,309	4,283,988	84,201,297	-	36,285,690	1,087,000	46,828,606	43,631,619
6. Office Building	1.63%	1,223,648	-	1,223,648	-	106,520	15,615	1,101,513	1,117,128
7. Plant & Machinery	4.75%	189,132,363	3,029,162	189,245,641	-	133,855,795	4,569,967	52,022,560	55,276,568
8. Furniture and Fixtures	6.33%	6,041,255	3,192	6,044,447	-	5,300,068	88,256	656,123	741,187
9. Office Equipment	4.75%	4,359,547	239,013	4,491,736	-	2,567,271	125,611	1,868,497	1,792,276
10. Computers	16.21%	5,250,803	110,780	5,361,583	-	4,916,729	84,328	340,526	334,075
11. Vehicles	9.50%	9,215,280	2,220,250	9,133,167	-	6,145,093	448,432	3,982,054	3,070,187
TOTAL		305,584,965	10,101,385	310,561,279	-	193,425,724	6,450,259	113,200,031	112,159,240
Previous year		295,115,249	11,261,731	792,015	-	187,477,289	6,284,226	112,159,239	107,637,960

STANDARD SURFACTANTS LTD.

Notes annexed to and forming part of Accounts as at 31.03.2013

NOTE-12 : LONG AND SHORT TERM LOANS & ADVANCES :

	As at 31st March, 2013		As at 31st March, 2012	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
<i>(Unsecured considered good unless otherwise stated)</i>				
Capital Advances	26,830	-	321,200	-
Security deposits	6,234,490	1,461,830	8,091,917	772,310
Loans & Advances to related parties	-	2,030,955	-	2,155,642
Other Loans and Advances :				
Advance to Supplier	-	3,235,915	-	4,441,753
Advance to Others	-	5,100,057	21,000	2,071,506
Advance to staff	-	270,309	-	3,227,154
TOTAL	6,261,320	12,099,066	8,434,117	12,668,364

NOTE-13 : INVENTORIES :

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Stock in trade	16,239,344	16,748,709
Finished Goods	6,555,542	7,293,076
Work in Progress	660,295	826,317
Raw Material	12,920,358	9,382,629
Stores, Spare Parts and Tools	3,668,505	2,758,958
FO, HSD & wood	507,540	1,043,198
TOTAL	40,551,584	38,052,887

NOTE-14 : TRADE RECEIVABLES :

(Unsecured considered good unless otherwise stated)

a) Outstanding for a period exceeding six months from the date they are due for payment	1,373,412	2,705,102
b) Others receivables	100,329,735	97,872,022
TOTAL	101,703,146	100,577,124

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
NOTE-15 : CASH & BANK BALANCES :		
I) Cash and cash equivalents		
Balance with Banks :	-	489,560
On Current Account	(1,463,577)	520,099
Deposit with original maturity of less than 3 month		
Cash in Hand	4,123,864	4,585,452
Cheques & Drafts in Hand	32,500	92,500
II) Other Bank Balances : (Fixed Deposit)		
Deposits pledged against margin money/guarantee	831,603	430,681
Deposits with original maturity more than 3 months but upto 12 months	-	-
Deposits with original maturity more than 12 months	4,420,061	2,172,748
Accrued interest on Fixed Deposits	38,639	35,619
TOTAL	7,983,090	8,326,659

NOTE-16 : OTHER NON CURRENT AND CURRENT ASSETS :

(Unsecured considered good unless otherwise stated)

	As at 31st March, 2013		As at 31st March, 2012	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
Others :				
Freight Subsidy Receivable	-	500,010	-	500,010
Deposits (Govt.)	-	3,043,855	36,000	6,086,894
Prepaid expenses	-	1,791,637	-	1,573,514
Balance with Excise Dept	-	1,364,832	17,641	3,257,741
Income tax payments	-	4,357,885	-	2,592,174
Insurance Claim Receivable	-	1,095,066	-	1,083,939
VAT recoverable	-	-	-	-
MAT credit entitlement	-	2,105,552	-	2,105,552
TOTAL	-	14,258,837	53,641	17,199,824

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013		As at 31.03.2012	
	Rs.	Rs.	Rs.	Rs.
NOTE-17 : CONTINGENT LIABILITIES & COMMITMENTS:				
Contingent Liabilities :				
Claims against the Company not acknowledged as debts				
Other Contingent Liabilities				
In respect of disputed Excise duty demand (in Lacs)		2.25		4.15
In respect of disputed Service Tax demand (in Lacs)		5.81		5.81
In respect of disputed Sales/trade Tax demand (in Lacs)		44.88		35.19
In respect of disputed Entry Tax demand (in Lacs)		-		8.24
Commitments :				
Estimated amount of contracts remaining to be executed on Capital Account not provided for				-
Uncalled liabilities on shares and other investments partly paid				-
Other Commitments				-
NOTE-18 : REVENUE FROM OPERATIONS :				
Sales				
Sale of finished products	449,221,878		386,823,776	
Job work charges	226,930,522		194,272,630	
Less : Excise Duty	(187,380,284)		(157,625,844)	
Sale of other materials	15,992,750		18,309,645	
Less : Quality discount	4,207,050		-	
Rental income	3,390,000	503,947,816	120,000	441,900,207
Other Operating Revenue				
Commission received	6,166,445		4,589,300	
Sale of scrap & waste	1,325,426		1,243,562	
Rate difference	3,594,840		2,531,597	
Early payment incentive	-		12,086	
Balance Written bank (Net)	1,745,502	12,832,213	767,080	9,143,625
TOTAL		516,780,029		451,043,832
NOTE-19 : OTHER INCOME :				
Rental Income		-		-
Profit on sale of assets		153,857		34,666
Discount		-		868,241
Interest Received		1,610,017		16,918
Insurance claim Received		266,468		-
Balance Written bank (Net)		598,727		-
Income (other)		78,122		51,755
TOTAL		2,707,191		971,580

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
NOTE-20 : PURCHASE OF STOCK IN TRADE :		
Finished Products	254,665,452	199,167,203
Other materials	14,319,176	16,098,554
TOTAL	268,984,628	215,265,757
NOTE-21 : CHANGES IN INVENTORIES :		
At the end of the Period :		
Finished Goods	22,794,886	24,041,785
Work-in-Progress	-	826,317
Raw materials	-	-
TOTAL	22,794,886	24,868,102
At the Beginning of the Period :		
Finished Goods	24,041,836	19,044,755
Work-in-Progress	826,317	1,503,100
Raw materials	-	1,090,906
TOTAL	24,868,153	21,638,761
	2,073,267	(3,229,341)
NOTE-22 : EMPLOYEE BENEFITS EXPENSES :		
Salary and Wages & Bonus	11,183,808	10,888,422
Staff Welfare Expenses	1,221,472	1,152,045
Gratuity	-	696,691
Contribution to Provident & Other Fund	1,737,625	934,667
TOTAL	14,142,905	13,671,825
NOTE-23 : FINANCE COSTS :		
Interest Expenses	13,579,894	12,419,598
Bank guarantee charges	793,507	600,807
Bank Charges	771,104	842,213
Forward contract premium (dollar)	2,072,974	3,000,682
TOTAL	17,217,479	16,863,300

STANDARD SURFACTANTS LTD.

Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
NOTE-24 : OTHER EXPENSES :		
Audit Expenses	17957	14384
Freight & service Tax on freight	1,958,331	2,609,072
Power and fuel	20,922,949	20,419,913
Sales promotion & incentives	-	452,313
Taxes on sale	3,048,993	3,008,801
Repairs and Maintenance	4,891,340	3,851,015
Travelling & Conveyance Expenses	3,399,627	3,064,554
Insurance	850,176	815,138
Interest payment	230,098	299,676
Material handling Expenses	805,439	803,988
Miscellaneous expenses	2,031,840	2,136,736
Penalty & fines	35,850	-
Postage and telephone	926,756	841,260
Printing & Stationery	379,250	378,600
Rent, taxes, legal & professional expenses	3,075,277	1,740,360
Prior Period Expenses	-	156,052
Packaging & Processing	6,995,811	4,934,593
Security exp	423,419	391,500
Shortage	-	10,583
Business development expenses	440,967	395,100
Professional (Including audit fees)	281,254	333,542
Vehicle running & maintenance	1,150,161	1,060,654
Loss on sale of assets	221,903	256,222
Entertainment expenses	330,315	432,359
Laboratory charges	370,535	290,965
Water charges	254,741	325,992
Excise Duty on OP & CL stock	(767,080)	3,086,403
Educ. on Excise Duty on Op & CL, Stock	(23,012)	92,592
Commission & sales Incentives	1,029,750	-
Bad debt & balance written off	2,049,875	1,921,835
TOTAL	<u>55,332,522</u>	<u>54,124,202</u>

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Notes annexed to and forming part of Accounts as at 31.03.2012

	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
NOTE-25 : EARNINGS PER EQUITY SHARES :		
I) Net Profit after Tax Attributable to Equity Shareholders for Basic EPS	3,146,705	2,617,989
Add : Adjustment relating to Potential Equity Shares	-	-
Net Profit after Tax Attributable to Equity Shareholders for Diluted EPS	3,146,705	2,617,989
II) Weighted Average No. of Equity Shares Outstanding during the year		
For Basic EPS	7,147,600	7,147,600
For Diluted EPS	7,147,600	7,147,600
III) Basic EPS	0.44	0.37
Diluted EPS	0.44	0.37
Face Value per Equity Share (Rs.)	10	10
IV) Reconciliation between number of shares used for calculating basis and diluted earning per share		
No. of Shares used for calculating Basic EPS	7,147,600	7,147,600
Add : Potential Equity Shares	-	-
No. of Shars used for calculating diluted EPS	<u>7,147,600</u>	<u>7,147,600</u>
NOTE-26 : PAYMENT TO AUDITORS :		
a) Payment to Auditors		
Audit Fees	140,000	140,000
Reimbursement of Expenses including service tax	96,680	96,680
Income tax appeal fees	29,781	29,781
	<u>266,461</u>	<u>266,461</u>
NOTE-27 : EARNINGS IN FOREIGN CURRENCY :		
a) Earning in Foreign Currency	-	<u>1,866.672</u>
NOTE-28 : EXPENDITURE IN FOREIGN CURRENCY :		
a) Expenditure in Foreign Currency		
Machinery	-	4,948,271
Interest	4,679,554	7,091,722
Raw material	24,942,431	8,053,630
	<u>29,621,985</u>	<u>20,093,623</u>

STANDARD SURFACTANTS LTD.

Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
NOTE-29 : PRIOR PERIOD ITEMS :		
Prior Period income		
Misc. Income	-	-
Incentive and Commission	-	-
Prior Period Expenses		
Salary & Wages	-	12,200
Other Expenses	-	100,018
Interest	-	43,834
Professional Fees	-	-
	-	156,052
Net	-	156,052

NOTE-30 : RELATED PARTY DISCLOSURE :

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

I) Key Management Personnel & their relatives :

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

II) Person having significant influence over the enterprises :

- (i) M/s Standard Sulphonators (P) Ltd.
- (ii) M/s Industrial Enterprises, 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.
- (vii) M/s Navsheel Standard Constructions Pvt. Ltd.

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Notes annexed to and forming part of Accounts as at 31.03.2013

	As at 31.03.2013		As at 31.03.2012	
	Rs.	Rs.	Rs.	Rs.
II) Details of transactions between the Company and Related Parties :				
	(Rs. in lacs)			
	2012-13		2011-12	
Nature of Transactions	KMP	Enterprises	KMP	Enterprises
Sale of goods		453.42		404.34
Interest Expenses	1.34	4.54	1.36	8.22
Advance/Loan given	16.91	32.39	8.55	782.68
Refund of Advance/Loan	16.67	27.40	4.00	791.64
Loan received	9.55	604.60	4.50	391.03
Loan Repaid	14.56	541.39	8.54	421.69
Expenses-Salary			3.60	
Purchase of Goods		169.82		208.00
Sitting Fees				
Expenses-other	8.17	1.74	4.01	
Balance Outstanding				
Account Receivables	0.25	57.93	0.25	59.42
Account Payables	10.15	13.67	0.36	151.13
Unsecured Loans	10.22	214.11	16.42	131.07
Security Deposits		20.00		30.00

NOTE-31 : ADVANCE & SUNDRY DEBTORS INCLUDE : (Rs. in lacs)

(a) Due from directors	0.25	0.25
(b) Due from Pvt. Ltd. Co. & firms in which directors are interested	26.09	37.75

Note :-

32. 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.

33. 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) Credit balances, not payable, hence written back in the books of accounts.
- (iii) The realizable value of all current assets, in the normal course of business, is not less than the value stated in the balance sheet.

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

35. 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

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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.

36. Segment Reporting :

(A) Segment Identification

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

(B) Segment Composition

Chemicals and Surfaces Active Segment is engaged in the manufacture and sale of specialty chemicals in detergent, personal care and pesticides industry. Synthetic Detergent Segment – engaged in manufacturing of synthetic detergent. Others – engaged in trading and other activities.

(C) Segment Reporting

(Rs. in lakhs)

Particulars	Chemical & Surface Active Segment	Synthetic Detergent Segment	Others	Unallocated	Total
Total Sales including inter unit transfers and excise duties	3296.47 (2811.30)	1026.32 (1185.41)	2718.82 (2088.78)	-	7041.60 (6085.50)
Result					
Segment Result	168.04 (152.67)	7.03 (20.33)	80.17 (65.33)	-	255.23 (238.53)
Unallocable Corporate Expenditure (Net of Income)					44.14 (48.08)
Opening Profit (PBIT)					211.10 (190.45)
Interest Expenses					172.17 (168.63)
Profit before Tax					38.92 (21.82)
Provision for Tax – including FBT					7.75 (3.38)
Profit after Tax					31.17 (17.94)
Other Information					
Segment Assets	1136.27 (1037.61)	278.06 (907.05)	1237.17 (785.27)	311.47 (247.19)	2962.97 (2977.12)
Segment Liabilities	151.33 (174.59)	79.29 (119.37)	225.80 (292.04)	1077.75 (1001.24)	1534.17 (1587.24)
Capital Expenditure	48.40 (81.96)	0.00 (6.02)	36.10 (1.18)	16.51 (23.46)	101.01 (112.62)
Depreciation	53.71 (53.68)	4.28 (5.09)	0.85 (0.81)	5.67 (3.26)	64.50 (62.84)

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37. The detergent plants at Rania & Mandideep (Bhopal) are not in operation, during the year & there are no immediate plans to operate the same. In view thereof, no depreciation is provided in respect of the two units. Amount is not ascertained.
38. The Previous year's figures have been reworked or regrouped and reclassified wherever necessary.
39. Notes '1 to 24' Form an integral part of accounts.

	2012-13	2011-12	2010-11	2009-10	2008-09
Revenue	1,23,45,678	1,12,34,567	1,01,23,456	90,12,345	89,01,234
Operating Profit	23,45,678	22,34,567	21,23,456	20,12,345	19,01,234
Profit Before Tax	22,34,567	21,23,456	20,12,345	19,01,234	18,90,123
Income Tax	(5,67,890)	(5,67,890)	(5,67,890)	(5,67,890)	(5,67,890)
Profit After Tax	16,66,678	15,55,567	14,44,456	13,33,345	12,22,234
Dividend	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Reserves & Surplus	15,66,678	14,55,567	13,44,456	12,33,345	11,22,234
Capital	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Debt	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Equity	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Liabilities	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Total	1,23,45,678	1,12,34,567	1,01,23,456	90,12,345	89,01,234

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
 Firm Reg. No. 01874 C
Akshay K. Gupta
Partner
 M. No. 70744
 Date : 27.09.2013
 Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director

Atul Kumar Garg
Whole-time Director

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 of as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty Fourth
Annual General Meeting of the Company to be held at 8/15, Arya Nagar, Kanpur-208 002 at 11.30 A.M. on Saturday, 28th
December, 2013 and at any adjournment thereof.
As witness my/our hand/s this day of 2013

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 24th Annual General Meeting of the Company being held on Saturday, 28th December,
2013.

Member's / Proxy name (in Block Letters)
Signature of Shareholder/Proxy.....
Ledger Folio No.
No. of Shares held.....

STANDARD SURFACTANTS LIMITED
20/15, ARYA NAGAR, KANPUR - 208 002

FORM NO. STS/1

TO THE
FROM
SUBJECT
DATE



BOOK - POST

STANDARD SURFACTANTS LIMITED

STANDARD SURFACTANTS LIMITED

TO THE
FROM
SUBJECT
DATE

If undelivered, please return to :
STANDARD SURFACTANTS LTD.
8/15, Arya Nagar,
Kanpur-208 002

SOLAR PRESS
KANPUR # 2534799

FORM B

Pursuant to Clause 31 of the Listing Agreement

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1	Name of the Company	STANDARD SURFACTANTS LIMITED
2	Annual Financial Statement for the year ended	31-03-2013
3	Type of Audit observation	Qualified
4	Frequency of observation	(A) Repetitive in respect of observation (ii) and (iv) as state in item 5 below from the financial year ended on 31 st March, 2010. (B) Repetitive in respect of observation no. (i) and (iii) as stated in item 5 below for more than Five years.
5	Draw attention to relevant notes in the Annual financial statement and management response to the qualification in the Director Report.	Observation:- (i) Liability for deferred tax has not been ascertained and provided for in accordance with Accounting Standard 22. (ii) Regarding non provision of retirement benefits. (iii) Non provision of depreciation on fixed assets of the units not in operation. (iv) Regarding balance confirmation with various parties. [In respect of above observations refer page no. 16 of Annual Report from note no. (i) to (iv)] Management Response:- Refer Director's Report. (Page 4 of Annual Report)
6	Additional comments from the Board Audit Committee Chairman	(i) As per disclosures made in the Annual Report. (ii) As per disclosures made in the Annual Report. Deferred tax liability and depreciation has been provided in subsequent years. Management confirmed that parties' balances are recovered in subsequent years.

Date: 24 OCT 2016

Place: KANPUR

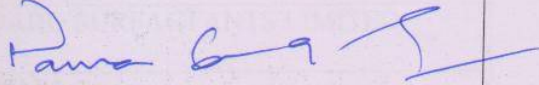
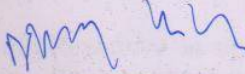

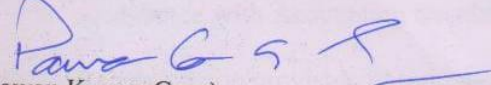
Page 1 of 2



FORM B

Pursuant to Clause 31 of the Listing Agreement

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange (31.03.2013)

7	To be signed by:- ➤ Chairman and Managing Director	 (Pawan Kumar Garg)
	➤ Auditor of the Company	For Mittal Gupta and Company Chartered Accountants Firm Regd. No. 01874C  (Akshay Kumar Gupta) Partner M.No. 01874C 
	➤ Audit Committee- Chairman	 (Pawan Kumar Garg)

Date: 24 OCT 2016

Place: KANPUR