

Annual Report

2015-2016

Standard

STANDARD SURFACTANTS LTD.

STANDARD SURFACTANTS LTD.

CIN: L24243UP1989PLC010950

CORPORATE INFORMATION :

- BOARD OF DIRECTORS** : Shri PAWAN KUMAR GARG, *Chairman & Managing Director*
Shri ATUL KUMAR GARG, *Whole-time Director*
Shri ANKUR GARG, *Whole-time Director*
Shri ABHISHEK MEHROTRA, *Independent Director*
Shri ASHOK KUMAR GUPTA, *Independent Director*
Shri GOPAL DASS AGARWAL, *Independent Director*
- COMPANY SECRETARY** : Shri MANINDER KUMAR JHA
- CHIEF FINANCIAL OFFICER** : Shri DHIRENDRA KUMAR GUPTA
- AUDITORS** : M/s MITTAL GUPTA & Co.
Chartered Accountants
KANPUR,
- SECRETARIAL AUDITOR** : M/s SARVESH S. SRIVASTAVA
Company Secretaries,
KANPUR
- BANKERS** : STATE BANK OF INDIA,
KANPUR.
- REGISTERED OFFICE** : 8/15, ARYA NAGAR,
KANPUR - 208 002 (U.P.),
PHONES : (0512) 2531762
E-MAIL : headoffice@standardsurfactants.com
- WORKS** : I) 24-A & B, NEW SECTOR
INDUSTRIAL AREA, MANDIDEEP
RAISEN (M.P.)
II) PLOT No. 114, GONDPUR INDUSTRIAL AREA
PAONTA SHAIB (H.P.)
- REGISTRAR & TRANSFER AGENT** : M/s. SKYLINE FINANCIAL SERVICES PVT. LTD.,
D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA,
PHASE-I,
NEW DELHI - 110020.

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NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of Standard Surfactants Ltd. will be held on Friday the 30th September, 2016 at 35 Cantonment, Cariappa Road, Kanpur-208004 at 11.30 A.M to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Reports of the Auditors and Board of Directors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Report of the Auditors thereon.
2. To appoint a director in place of Atul Kumar Garg, (having DIN No.00250868) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors and fix their remuneration, M/s Mittal Gupta & Company, Chartered Accountants, (Firm Reg. No.01874C) Kanpur, are the retiring Auditors at this Annual General Meeting and are eligible for reappointment and this connection to consider and if thought fit to pass with or without modification following resolution:

"RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act read with Companies (Audit and Auditors) Rules 2014, as amended up to date M/s Mittal Gupta and Company Chartered Accountants, (Firm Reg. No.01874C) Auditors of the Company whose term of office expires at ensuing Annual General Meeting be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 30th Annual General Meeting to be held in the Year 2019 on such remuneration as may be decided by the Board"

By order of the Board
For STANDARD SURFACTANTS LTD.

Place : Kanpur
Date : 03.08.2016

MANINDER KUMAR JHA
Company Secretary

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 Saturday, 24th September, 2016 to Friday, 30th September, 2016 (both days inclusive).
3. The route map showing direction to reach the venue of the Twenty Seventh Annual General Meeting is annexed.
4. Members who hold shares in dematerialized form are requested to write their client ID and DP ID number and those who holds shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
6. Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
7. 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.
8. To support 'Green Initiatives' 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 Arya Nagar, Kanpur-208002, Tel.: 0512- 2531762 Email: headoffice@standardsurfactants.com or the Company's Registrars and Transfer Agents, The Skyline Financial Services Pvt. Ltd., D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020. Tel. no. 011-64732681 to 88, Fax No.: 011-26812683, Email : viren@skylinerta.com; admin@skylinerta.com.
9. **Voting through electronic means**
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rules 20 of the Companies (Management and Administration) Rules, 2014, as

amended the Shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for remote e-voting are as under :

A. In case a member receives an email (for those members whose e-mail addresses are registered with the Company).

- i) Open the attached PDF file "e-voting.pdf" giving your Client ID or Folio No. which contains your User ID and "Password for e-voting". Please note that the password is an under id and initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
- ii) Open internet browser and type the following URL: www.evoting.nsd.com.
- iii) Click on Shareholder-Login.
- iv) Put User ID and Password/PIN as provided in this document and click Login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsd.com.
- v) If you are logging in for the first time, the Password change menu will appear. Change the Password with new Password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of remote e-voting home page opens. Click on remote e-voting: Active Voting Cycles.
- vii) Select EVEN (Electronic Voting Event Number) of Standard Surfactants Limited. Now, you are ready for remote e-voting as Cast Vote page opens.
- viii) After selecting the resolution you have decided to vote on, click on SUBMIT. A confirmation box will be displayed. If you wish to confirm your vote, click on CONFIRM else to change your vote, click on BACK and accordingly modify your vote.
- ix) Upon confirmation, the message vote cast successfully will be displayed.
- x) Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.

- xi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter/ Power of Attorney (POA) etc. together with the attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at sarvesh_srifcs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

B. In case of member receiving the physical copy of AGM Notice (for members whose e-mail IDs are not registered with the Company/ Depositories)

- i) User ID & Initial Password is provided in the Box
- ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above to cast vote.

C. In case of any queries, the shareholder may refer the frequently asked questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the downloads section of www.evoting.nsd.com or call on toll free no. 1800-222-990.

D. Shareholders can also update his/her mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication (s).

E. General Instructions:

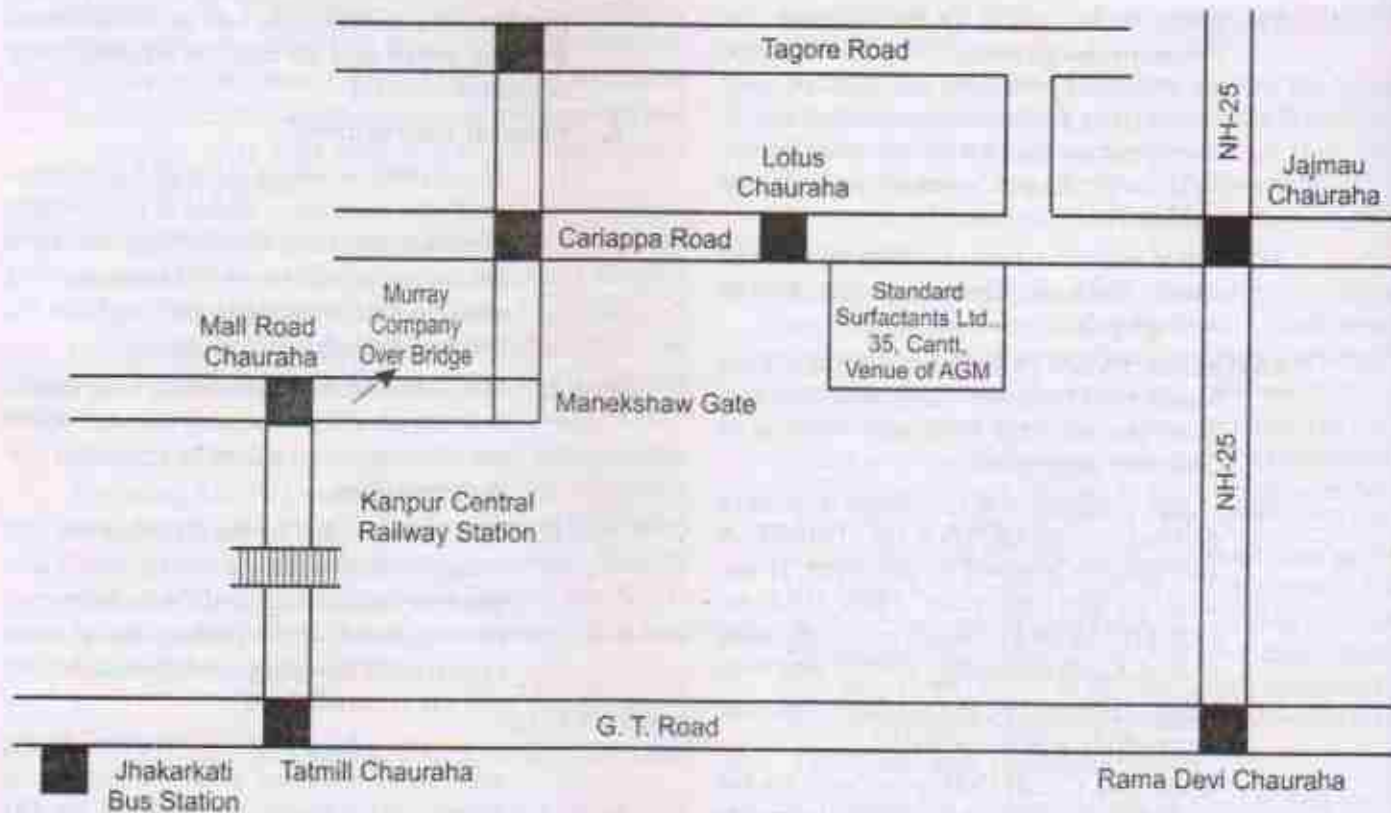
- i. The facility of voting through ballot paper shall also be made available at the meeting. Members attending the meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- ii. Members who have cast their vote by remote e-voting prior to the Meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- iii. The voting rights of the shareholders (for voting through remote e-voting or by ballot paper at the meeting) shall be in proportion to their shares of the paid-up equity share capital of the Company as on 23rd September 2016 (i.e. cut off date).
- iv. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall

- be entitled to avail the facility of remote e-voting as well as voting in the general meeting.
- v. Mr. Sarvesh S. Srivastava, Practicing Company Secretary (Membership No. 7719 and certificate of Practice No. 3919) has been appointed as the Scrutinizer by the company to scrutinize the remote e-voting process in a fair and transparent manner.
 - vi. The chairman shall, at the Annual General Meeting, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper/Polling Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
 - vii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will

first count the votes cast at the meeting and thereafter unblock the vote cast through remote e-voting in the presence of at least two witness not in the employment of the company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizers report of the total votes cast in favor or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

- viii. The results declared alongwith the report of the Scrutinizer shall be placed on the company's website **www.standard surfactants.com** and on the website of NSDL immediately after the declaration of the result by the Chairman. The results shall also be immediately forwarded to BSE Limited.

**ROUTE MAP - VENUE OF ANNUAL GENERAL MEETING
STANDARD SURFACTANTS LIMITED
TO BE HELD AT 35, CANTT., CARIAPPA ROAD, KANPUR**



DIRECTORS' REPORT**TO THE MEMBERS,**

The Directors present the Twenty Seventh Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2016. Consolidated performance of the Company and its associates has been referred to wherever required.

FINANCIAL RESULTS

	(Rs. in Lacs) STANDALONE		(Rs. in Lacs) CONSOLIDATED	
	Current year ended on 31.03.2016	Previous Year ended on 31.03.2015	Current year ended on 31.03.2016	Previous Year ended on 31.03.2015
Revenue from Operations				
Revenue from Operations	4413.49	5337.69	4413.49	5337.69
Other Income	78.53	27.74	78.53	27.74
Total Revenue	4492.02	5365.43	4492.02	5365.43
Profit before Interest and depreciation	275.32	307.50	275.32	307.50
Finance Cost	146.87	152.97	146.87	152.97
Depreciation	64.13	85.75	64.13	85.75
Profit/(Loss) before tax	64.32	68.78	64.32	68.78
Provision for taxation/Income tax adjustment	20.84	22.76	20.84	22.76
Profit for the period before share of profit associate	43.48	46.02	43.48	46.02
Share of results of Associates	-	-	0.25	1.23
Net Profit/(Loss) for the period	43.48	46.02	43.73	47.25

OPERATIONAL REVIEW:

On Standalone basis revenue from operations during the year has decreased from Rs. 5337.69 Lacs to Rs. 4413.49 Lacs in comparison to previous year.

Profit after tax decreased to Rs. 43.48 Lacs from Rs. 46.02 Lacs calculated on Standalone basis. However, on the basis of consolidation the net profit after tax is Rs. 43.73 Lacs.

Finance cost decreased for the year to Rs. 146.87 Lacs from Rs. 152.97 Lacs in the previous year.

Depreciation was at Rs. 64.13 Lacs as against Rs. 85.75 Lacs in the previous year.

DIVIDEND:

Based on Company's performance your Directors do not recommend any dividend for the year, to strengthening the fund.

PROSPECTS:

Your Company continues to expand technological up gradation in its plant and machinery and continues to lay emphasis to expand the Trade division for better performance of the Company.

PUBLIC DEPOSITS:

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

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONS:

Mr. Atul Kumar Garg is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

He is born on 02-08-1954, and is commerce graduate and have a very wide experience of more than 35 years in the field of management and operations. He was appointed as

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director of the company w.e.f 27-05-1992. He hold directorship in one other companies, namely Standard Sulphonators Pvt. Ltd. His shareholding in the company is NIL.

During the year your Company has conducted Four meetings of the Board of Directors. The details of the meeting and attendance therein are given under Corporate Governance Report.

DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of Companies Act, 2013 and the relevant rules.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a report on Corporate Governance is attached to this report for information to the Members are annexed as Annexure -A which forms part of this Report.

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 134 (3) (m) of the Companies Act, 2013 are annexed as Annexure- B which forms part of this Report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any, member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Further, there are no employee getting salary in excess of the limit as specified under the provisions of Section 197 (12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 in Form MGT-9 are annexed as Annexure -C which forms part of this Report..

LISTING:

The Equity Share of the Company continued to be listed at BSE Ltd.

AUDITORS:

i) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Mittal Gupta & Co., Chartered Accountants (ICAI Firm Registration No. 01874C), were appointed as statutory auditors of the Company from the conclusion of Twenty Sixth Annual general meeting held on 30-09-2015 till the conclusion of ensuing Annual General Meeting.

The Company has received a letter from statutory auditors to the effect that their re-appointment, if made, would be within the provision prescribed under Section 139 of the Companies Act, 2013. Your Directors recommend their re-appointment.

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

ii) COST AUDITORS

The maintenance of Cost Records pursuant to Section 148 (1) of the Companies Act, 2013, for the products or services rendered by the Company is under preparation for the F.Y. 2015-16.

iii) SECRETARIAL AUDITORS

The Company has appointed Sarvesh S. Srivastava, Practicing Company Secretaries as the Secretarial Auditors of your Company for the Financial Year 2015-16. The Secretarial Audit Report are annexed as Annexure -D which forms part of this Report.

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

iv) INTERNAL AUDITORS

The Company has appointed M/s M/s Mukund Maheshwari & Co., and M/s Harsh Agarwal & Associates Chartered Accountants as the Internal Auditors of the Company for the year 2015-16. Their report is placed before the Audit Committee of the Company from time to time.

AUDIT COMMITTEE:

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

INDEPENDENT DIRECTOR'S MEETING:

The Independent Directors met on 25th March, 2016, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control with reference to the financial statements. All the transactions are properly authorized, recorded and reported to the Management. The internal auditor of the Company checks and verify the internal control and monitors them in accordance with Accounting Standards for properly maintaining the books of accounts and reporting financial statement.

CORPORATE SOCIAL RESPONSIBILITY:

CSR in terms of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility (Rules), 2014 is not applicable to the company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Your Company has not made any loan or given any Guarantees or made any investment under Section 186 of Companies Act, 2013.

VIGIL MECHANISM (WHISTLE BLOWER POLICY):

In pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 the Listing Agreement, a Vigil Mechanism for directors and employee to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy has been established.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

BUSINESS RISK MANAGEMENT:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the Management Discussion and Analysis which form part of this report.

BOARD EVALUATION:

The Board annually evaluates its performance as well as the performances of its Committees and Directors individually. For evaluating the performance of the Whole Time Directors, is evaluated by the Board by linking it directly with their devotion towards implementation and management of the growth parameters of the Company and actual performance and future plans as set out from time to time. Further, the performance of the various Committees of the Board is reviewed on the basis of the achievement of the work designated to the specific committee.

RELATED PARTY TRANSCATIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Form AOC -2 are annexed as Annexure -E which forms part of this Report.

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COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. The Company has duly constituted the Nomination and Remuneration Committee of the Board and the committee which periodically evaluates the requirement for changes in the composition and size of the Board, review remuneration of the Managing Director and Whole-time Director(s) based on their performance and Recommend the policy for remuneration of Directors, KMPs & other senior level employees of the Company and review the same in accordance with performance of the Company and industry trend.

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.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.standardsurfactants.com. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

DIRECTOR'S RESPONSIBILITY STATEMENTS:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed

along with proper explanation relating to material departures, if any;

- b. that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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 staffs, during the year.

By order of the Board
For STANDARD SURFACTANTS LTD.

PAWAN KUMAR GARG
Chairman & Managing Director
DIN No. 00250836

Place : Kanpur
Date : 03.08.2016

ATUL KUMAR GARG
Whole time Director
DIN No. 00250868

ANNEXURE A TO DIRECTORS' REPORT

REPORT OF CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY:

The Company strongly believes in the practices of good Corporate Governance. The Company has consistently aimed at developing internalizing such policies and implementing actions that make it a good model for Corporate Governance. SEBI has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on September 2, 2015. To that effect, Company has adopted practices mandated under Listing Regulations under Corporate Governance and has established procedure and systems to be fully complied with it. The procedure and systems are reviewed periodically to ensure continued relevance, effectiveness and responsiveness to the need of the stakeholders.

2. BOARD OF DIRECTORS:

Composition of Board

The Company's policy is to maintain an optimum combination of Executive and Non- Executive Directors. As on March 31, 2016 Standard Surfactants Limited comprises of Six Directors. The Board consists of three promoter and executive Directors (including Chairman and Managing Director) and Three Non- Executive Independent Directors.

Number of Board Meetings

In 2015-16, the Board of the Company met Four times on 15.05.2015, 27.08.2015, 05.11.2015 and 20.02. 2016.

Directors' Attendance Record and Directorships

The name and categories of the Directors on the Board, their attendance at the Board Meetings held during the year 2015-16 are as under :

Name of the Director	Category	No of Board Meeting Attended	Whether attendance at last AGM	No. of Other Directorship	No. of Other Committees Chairmanship	No. of Other Committees Membership
Mr. Pawan Kumar Garg	Promoter-Executive	4	Yes	1	1	3
Mr. Atul Kumar Garg	Promoter-Executive	4	Yes	1	-	2
Mr. Ankur Garg	Promoter-Executive	3	Yes	2	-	-
Mr. Abhishek Mehrotra	Non-Executive & Independent	3	No	1	3	-
Mr. Ashok Kumar Gupta	Non-Executive & Independent	3	No	1	-	1
Mr. Gopal Dass Agarwal	Non-Executive & Independent	3	No	-	-	2

Note: Other Directorships do not include Foreign Companies. In accordance with Regulation 26 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Membership/ Chairmanships of only the Audit Committee and Stakeholders' Relationship Committee in all Indian Public Limited Companies has been considered.

Information Supplied 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.

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- Annual operating plan, Budget, Capital Budget and any updates thereof.
- Quarterly results of the Company and business segments.
- Meeting of the Audit Committee, other Committees of the Board of Directors.
- The information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important shows cause notice, demand, prosecution or other legal notice.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Making of loans and investment of surplus funds;
- General notices of interests of Directors;
- Constitution/Reconstitution of Board Committees;
- Appointment, remuneration and resignation of Directors;
- Dividend declaration; if any
- Significant changes in accounting policies and internal controls;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions, any significant development on human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory nature or listing regulations and shareholders' service, delay in share transfer, if any, and others;
- Declaration of Independent Directors at the time of appointment/annually;
- Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee;
- Annual financial results of the Company, Auditors' Report and the Report of the Board of Directors; and
- Compliance Certificates for all the laws as applicable to the Company.

The Board of Directors is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with the specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

CEO/MD and CFO Certification

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate is annexed and forms part of the Annual Report. The Chairman and Managing Director and the Chief Financial Officer also give quarterly

certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct

The Company has adopted a Code of Conduct (the Code) for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management. The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

COMMITTEES OF THE BOARD

As on March 31, 2016, the Company has Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board Committees are set-up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees.

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:

The Audit Committee was duly constituted comprising 3 Directors namely Mr. Abhishek Mehrotra as a Chairman and Mr. Gopal Dass Agarwal and Mr. Pawan Kumar Garg as members. The Committee's Constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Four Audit Committee meetings were held during the year 2015-16. The details of the meetings are as under:-

Sl. No.	Date	Committee Strength	No. of members present
1.	14th May, 2015	3	3
2.	25th August, 2015	3	3
3.	3rd November, 2015	3	3
4.	11th February, 2016	3	3

The terms of reference of the scope of Audit Committee include review of Quarterly, Half-Yearly and Annual financial statements before submission to the Board for its approval, to review adequacy of internal control system, to apprise the Board on the impact of accounting policies, accounting standards and legislation, to hold periodical discussions with Statutory and Internal Auditors on the scope and content of the audit and to review the Company's financial and risk management policies. The members of the Committee are well versed in matters relating to finance, accounts, company law, other economic legislation and general management practices.

2. NOMINATION AND REMUNERATION COMMITTEE:

The Board has duly constituted the Nomination and Remuneration Committee consisting of three Non-Executive Directors. The constitution of the committee is Mr. Abhishek Mehrotra as Chairman, Mr. Ashok Kumar Gupta and Mr. Gopal Dass Agarwal as members.

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The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Committee, inter alia, looks into the matters, in accordance with the remuneration policy of the Company, to identify persons who are qualified to become Directors and who may be appointed in senior management and to recommend to the Board their appointment and/or removal, to carry out evaluation of every Director's performance, to formulate the criteria for determining qualifications, positive attributes and independence of a Director, and matters relating to the remuneration for the Directors and Key Managerial Personnel. During the year 1 committee meeting was held on 27th August, 2015 and two members were present in the meeting.

The Company does not pay any remuneration to its non executive Directors, except sitting fee @ Rs. 2,000/- for attending the Board Meetings and for attending each meeting of Committees, besides reimbursement of expenses of traveling etc. The Company has no pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees to them for attending Board and Committee Meetings.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Stakeholders Relationship Committee was duly constituted under the Chairmanship of Mr. Abhishek Mehrotra and Mr. Pawan Kumar Garg and Mr. Atul Kumar Garg as members.

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. During the year 2015-16, four Committee Meetings were held. Details of the meetings are as under:

Sl. No.	Date	Committee Strength	No. of members present
1.	04th July, 2015	3	3
2.	03rd October, 2015	3	3
3.	5th January, 2016	3	3
4.	31st March, 2016	3	3

The Committee sees the matter relating to transfer of shares, demat of shares, issue of duplicate share certificates, redressal of shareholders/ investors grievances and complaints regarding non-receipt of dividends, Annual Reports, etc.

4. SHARE TRANSFER COMMITTEE:

Share Transfer Committee was duly constituted under the Chairmanship of Mr. Pawan Kumar Garg and Mr. Atul Kumar Garg as members.

During the year 2015-16, four Committee Meetings were held. Details of the meetings are as under:

Sl. No.	Date	Committee Strength	No. of members present
1.	04th July, 2015	2	2
2.	10th October, 2015	2	2
3.	5th January, 2016	2	2
4.	31st March, 2016	2	2

The Committee sees the matter relating to transfer of shares, demat of shares, issue of duplicate share certificates, Change of Address of Shareholders etc.

Compliance Officer

Company Secretary of the Company is Compliance officer in terms of Listing Regulations.

5. GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Location
2012-2013	28.12.2013	11.30 AM	8/15 Arya Nagar, Kanpur
2013-2014	30.12.2014	11.30 AM	8/15 Arya Nagar, Kanpur
2014-2015	30.09.2015	11.30 AM	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, propose to be conducted through postal ballot and procedures for postal ballot – Yes.

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 key management personnel, 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 have been remaining suspended for the last several years.

7. MEANS OF COMMUNICATION:

Quarterly results, Half yearly and annual results results are generally published in the Pioneer, New Delhi edition and Daily Aaj or Swatantra Bharat, Kanpur edition and also are available on the website of company : www.standardsurfactants.com.

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 SHAREHOLDER'S INFORMATION:**(i) 27th Annual General Meeting**

Venue : 35 Cantonment, Cariappa Road, Kanpur-208 004

Time : 11.30A.M

Day & Date : Friday, 30th September 2016.

(ii) Book Closure:

The Register of Members and Share Transfer Book of the Company will remain closed from Saturday 24th September, 2016 to Friday 30th September, 2016 (both days inclusive.)

(iii) Listing of Equity Share on BSE Ltd., Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001.

Further, Application has already been applied for De-Listing of Share of the Company at Ahmedabad Stock Exchange, Delhi Stock Exchange and Uttar Pradesh Stock Exchange.

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(iv) Distribution of Share Holding :

(a)	S.No.	Shareholding of Nominal value of	Share Holder		No. of Shares
			Number	% age to total	
	1.	Upto - 5000	13887	94.89	20263000
	2.	5001 - 10000	497	3.41	3892000
	3.	10001 - 20000	152	1.04	2246000
	4.	20001 - 30000	22	0.15	518000
	5.	30001 - 40000	13	0.09	448000
	6.	40001 - 50000	8	0.05	361000
	7.	50001 - 100000	21	0.14	1611000
	8.	100001 & Above	35	0.24	42137000
		Total	14635	100.00	7147600

The Distribution of Share holding as on 31st March, 2016 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	103700	1.45
	b. Indian Public	2166300	30.31
	c. NRIs/OCBs	707000	9.89
	d. Any Other	-	-
	Sub Total	2977000	41.65
	Grand Total	7147600	100.00

(v) Plant Location :

(a) Mandideep Plant (Madhya Pradesh)	24A & B, New Sector, Industrial Area, Mandideep, Bhopal - 462046 (Madhya Pradesh).	
(b) Paonta Sahib Plant (Himachal Pradesh)	Plot No. 114, Gondpur, Industrial Area, Paonta Sahib, (Himachal Pradesh).	} Unit Closed

(vi) Address for Investor's Correspondence :

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

(vii) Registrar & Transfer Agent :

M/s Skyline Financial Service Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I,
New Delhi - 110 065

9. As per Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Company is required to obtain a Certification from the Practicing Company Secretary / Chartered Accountant regarding compliance of conditions or Corporate Governance. However, in terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 the company is exempt from this regulation as company's paid up share capital is less than Rs. 10.00 crore and net worth of the company is less than Rs. 25.00 crore.

Place : Kanpur

Date : 03.08.2016

**COMPLIANCE CERTIFICATE FROM PRACTISING COMPANY SECRETARY
(Pursuant to Regulation 34 Read with Schedule V)**

To,

The Members of Standard Surfactants Limited. KANPUR.

1. We have examined the compliance of conditions of Corporate Governance by STANDARD SURFACTANTS LIMITED ("the Company"), for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreements of the Company with stock exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of Regulations
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company
3. We have examined the relevant records of the company and in our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that in terms of the Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the Regulations, Company has been exempted from making compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI (LODR) Regulations, 2015 *as the paid up equity share capital of the company does not exceed Rs. 10.00 crore and net worth of the company does not exceed Rs. 25.00 crore during the Financial Year 2015-16 as well as on the last day of the said Financial Year.*
4. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE : KANPUR
DATE : 03.08.2016

For SARVESH S. SRIVASTAVA
Company Secretaries
CP No. 3919

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Annexure 'B'

TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2016

CONSERVATION OF ENERGY :

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

CONSERVATION OF FUEL CONSUMPTION

1) ELECTRICITY

(A) Purchased:

	Current Year	Previous Year
Unit	1484946	1871393
Amount (cost)	10932848	12379011
Rate/Unit	7.36	6.61

(B) Own Generation

(I) Through Diesel Generator & steam

Unit Generated	23184	28128
Amount (Cost)	535506	768797
Cost/Unit	23.10	27.33

(II) Through Steam Turbine:

Unit	-	-
Unit per litre of fuel Oil/Gas	-	-

(2) COAL/WOOD (Used in Boiler)

Qty. Consumed (Kg.)	446275	644235
Amount(Cost)	3357131	4887993
Cost/Unit	7.52	7.59

(3) FURNANCE OIL (Used in Boiler)

Unit Consumed (Ltrs.)	7931	8466
Amount(cost)	259435	397902
Cost/Unit	32.71	47.00

TECHNOLOGY ABSORPTION

FOREIGN EXCHANGE EARNINGS:

Nil Nil

FOREIGN EXCHANGE EARNINGS OUTGO:

67969194 5093582

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS :

1. CIN	L24243UP1989PLC010950
2. Registration Date	13/07/1989
3. Name of the Company	STANDARD SURFACTANTS LIMITED
4. Category/Sub-category of the Company	Public Limited Company
5. Address of the Registered office & contact details	8/15 Arya Nagar, Kanpur -208 002 Tel. No. 0512-2531762 Website : www.standardsurfactants.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Pvt. Limited Share Registrar and Transfer Agent D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Email: virenr@skylinerta.com Contact- 011-64732682-86

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Detergents and Organic Chemicals	20233 & 201193	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - M/s Standard Organo Chemicals Pvt. Ltd. is an Associate Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(I) Indian									
a) Individual/ HUF	-	4161900	4161900	58.23	-	4161900	4161900	58.23	Nil
b) Central Govt	-	-	-	-	-	-	-	-	Nil
c) State Govt (s)	-	-	-	-	-	-	-	-	Nil
d) Bodies Corp.	-	-	-	-	-	-	-	-	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	Nil
f) Any other	-	-	-	-	-	-	-	-	Nil
Total shareholding of Promoter (A)		4161900	4161900	58.23		4161900	4161900	58.23	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	6400	6400	0.09	-	6400	6400	0.09	Nil

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b) Banks / FI	-	2300	2300	0.03	-	2300	2300	0.03	Nil	
c) Central Govt-	-	-	-	-	-	-	-	-	Nil	
d) State Govt(s)-	-	-	-	-	-	-	-	-	Nil	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	Nil	
f) Insurance Companies	-	-	-	-	-	-	-	-	Nil	
g) FIs	-	-	-	-	-	-	-	-	Nil	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	Nil	
i) Others (specify)	-	-	-	-	-	-	-	-	Nil	
Sub-total (B) (1):-	-	8700	8700	0.12	-	8700	8700	0.12	Nil	
2. Non-Institutions										
a) Bodies Corp.	-	103500	103500	1.45	-	103700	103700	1.45	0.03	
i) Indian	-	-	-	-	-	-	-	-	Nil	
ii) Overseas	-	-	-	-	-	-	-	-	Nil	
b) Individuals	-	-	-	-	-	-	-	-	Nil	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	15000	2115000	2115000	29.59	18000	2115800	2115800	29.60	+0.01	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	12900	50500	50500	0.71	12900	50500	50500	0.71	Nil	
c) Others (specify)	-	-	-	-	-	-	-	-	Nil	
Non Resident Indians	-	708000	708000	9.90	-	707000	707000	9.89	-0.01	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	Nil	
Foreign Nationals	-	-	-	-	-	-	-	-	Nil	
Clearing Members	-	-	-	-	-	-	-	-	Nil	
Trusts	-	-	-	-	-	-	-	-	Nil	
Societies	-	-	-	-	-	-	-	-	Nil	
Sub-total (B) (2):-	-	2977000	2977000	41.65	30900	2977000	2977000	41.65	Nil	
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	2985700	2985700	41.77	30900	2985700	2985700	41.77	Nil	
c) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	Nil	
Grand Total (A+B+C)	27900	7147600	7147600	100.00	30900	7147600	7147600	100.00	Nil	

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B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares of the company	% of total Pledged / encumbered to total shares	% of Shares	
1	Purshottam Das Garg HUF	2000	0.03	-	2000	0.03	-	Nil
2	Beni Madhav Garg HUF	3500	0.05	-	3500	0.05	-	Nil
3	Purshottam Das Garg	4600	0.06	-	4600	0.06	-	Nil
4	Gopal Das Garg HUF	10000	0.14	-	10000	0.14	-	Nil
5	B.M Garg P.D Garg HUF	10000	0.14	-	10000	0.14	-	Nil
6	Gautam Garg	20000	0.28	-	20000	0.28	-	Nil
7	Manju Garg	20000	0.28	-	20000	0.28	-	Nil
8	Kusum Garg	25000	0.35	-	25000	0.35	-	Nil
9	Kavita Garg	28600	0.40	-	28600	0.40	-	Nil
10	Gatnam Garg HUF	32000	0.45	-	32000	0.45	-	Nil
11	B.M Garg HUF	32000	0.45	-	32000	0.45	-	Nil
12	B.M Garg Saurabh Garg HUF	32000	0.45	-	32000	0.45	-	Nil
13	B.M Garg Gautam Garg HUF	32000	0.45	-	32000	0.45	-	Nil
14	B.M Garg Saurabh Garg Gautam Garg HUF	32000	0.45	-	32000	0.45	-	Nil
15	Prem Kumar Saraf	33300	0.47	-	33300	0.47	-	Nil
16	Lalita Saraf	33300	0.47	-	33300	0.47	-	Nil
17	Piyush Saraf	33400	0.47	-	33400	0.47	-	Nil
18	B.M. Garg Sudha Garg HUF	34000	0.48	-	34000	0.48	-	Nil
19	Saurabh Garg HUF	34000	0.48	-	34000	0.48	-	Nil
20	Sudha Garg	40000	0.56	-	40000	0.56	-	Nil
21	P.D. Garg Ajay Garg HUF	40000	0.56	-	40000	0.56	-	Nil
22	P.D. Garg Vijay Garg Ajay Garg HUF	40000	0.56	-	40000	0.56	-	Nil
23	P.D. Garg HUF	48000	0.67	-	48000	0.67	-	Nil
24	P.D. Garg Kusum Garg HUF	50000	0.70	-	50000	0.70	-	Nil
25	P.D. Garg Vijay Garg HUF	50000	0.70	-	50000	0.70	-	Nil
26	Vijay Garg HUF	50000	0.70	-	50000	0.70	-	Nil
27	Vijay Garg	66000	0.92	-	66000	0.92	-	Nil
28	Ajay Garg	76600	1.07	-	76600	1.07	-	Nil
29	Ritu Garg	84500	1.18	-	84500	1.18	-	Nil
30	Purshottam Das Garg	143600	2.01	-	143600	2.01	-	Nil
31	Saurabh Garg	208500	2.92	-	208500	2.92	-	Nil
32	Kunal Garg	750000	10.49	-	535000	7.49	-	-3.00
33	Pawan Kumar Garg	374800	5.24	-	374800	5.24	-	Nil
34	Atul Kumar Garg	549500	7.69	-	-	-	-	-7.69
35	Ankur Garg	1138500	15.93	-	1138500	15.93	-	Nil
36	Aditya Garg	200	0.00	-	764700	10.70	-	+10.70

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D) Shareholding Pattern Of Top Ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Laxshmi	20500	0.29	20500	0.29
2.	Sri Gridhar Investments & Shares Pvt. Ltd.	20200	0.28	20200	0.28
3.	Salim Lokhandwala	17100	0.24	17100	0.24
4.	Vittu Bajranglal Agarwal	12900	0.18	12900	0.18
5.	Kumar J Kapasi	11200	0.16	11200	0.16
6.	Nirmala V Patel	10000	0.14	10000	0.14
7.	Tulan V Patel	10000	0.14	10000	0.14
8.	Shakti Trading Co. Pvt. Ltd.	10000	0.14	10000	0.14
9.	Hemant R. Vora	8600	0.12	8600	0.12
10.	Chandrakant Kirtilal Parikh	8300	0.12	8300	0.12

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Pawan Kumar Garg				
	At the beginning of the year.	374800	5.24	374800	5.24
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	374800	5.24	374800	5.24
2.	Atul Kumar Garg				
	At the beginning of the year.	549500	7.69	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	Decrease (Transfer)	-
	At the end of the year	549500	7.69	-	-
3.	Ankur Garg				
	At the beginning of the year	1138500	15.93	1138500	15.93
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1138500	15.93	1138500	15.93
4.	Abhishek Mehrotra				
	At the beginning of the year.	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
5.	Ashok Kumar Gupta				
	At the beginning of the year.	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

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S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Gopal Dass Agarwal *				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS-Indebtedness of the company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the financial year				
i) Principal Amount	74840445	33328222	-	78178672
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	74840445	33328222	-	78178672
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	(10644467)	(1387794)	-	(12032261)
Net Change	(10644467)	(1387794)	-	(12032261)
Indebtedness at the end of the financial year				
i) Principal Amount	64195978	1950433	-	66146411
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	64195978	1950433	-	66146411

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director/Whole Time Director and /or Manager:

(Rs. In Laacs)

S.No.	Particulars of remuneration	Name of MD/WTD/Manager			Total Amount
		Pawan Kumar Garg	Atul Kumar Garg	Ankur Garg	
	Remuneration to MD/WTD and / or Manager*				
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	12.00	12.00	-	24.00
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-
	(c) Profit in lieu of Salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As% of profit	-	-	-	-
	- Other, specify...	-	-	-	-
5.	Other, please specify	-	-	-	-
	Total (A)	12.00	12.00	-	24.00

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B) Remuneration to other Directors:

(Rs. In Lacs)

S. No	Particulars of Remuneration	Name of Directors at end of the year			Total Amount
		Abhishek Mehrotra	Ashok Kumar Gupta	Gopal Dass Agarwal	
1.	Independent + Directors				
	i) Fee for attending Board/Committee meetings	22,000	6,000	14,000	42,000
	ii) Commission	-	-	-	Nil
	iii) Other, please specify	-	-	-	Nil
	Total (1)	22,000	6,000	14,000	42,000
2.	Other Non- Executive Directors	-	-	-	-
	i) Fee for attending Board/Committee meetings	-	-	-	-
	ii) Commission	-	-	-	-
	iii) Other, please specify	-	-	-	-
	Total (1)	Nil			
	Total (2)	-			
	Total (B) = (1+2)	-			
	Total Managerial Remuneration				24.00
	Overall Ceiling as per the Act (@ 10% of Profit calculated under section 198 of the Companies Act, 2013)				6.43

C) Remuneration to key managerial personnel other than MD/Manager/WTD

(in Rupees)

S. No	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total Amount
1.	Gross Salary			
	(d) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	229200	348000	577200
	(e) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
	(f) Profit in lieu of Salary under section 17(3) of Income Tax Act, 1961.	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	As % of profit	-	-	-
	Other, specify	-	-	-
5.	Other, please specify	-	-	-
	Total	229200	348000	577200

vii. **PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES** : No penalties/punishment imposed during the Financial year 2015-16.

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2016

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

To,
The Members
Standard Surfactants Limited
CIN :L24243UP1989PLC010950

Regd. Off. 8/15, Arya Nagar, Kanpur-208002

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Standard Surfactants Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(not applicable to the company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(not applicable to the company during the audit period)

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- (vi) Management has identified and confirmed the following laws as specifically applicable to the Company :
1. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
 2. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
 3. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
 4. Factories Act, 1948 and allied State Laws
 5. Hazardous Waste (Management and Handling) Rules 1989

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meeting and General Meeting.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, and
- (iii) SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulation, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. Clause 41 of the Listing Agreement. requires the company to publish its unaudited / audited Financial Results within 45/60 days of the end of the Quarter etc. However company failed to make compliance in within due time for the Quarter ended on 31.03.2015, 30.06.2015 and 31.12.2015. However, the same has been submitted delayed.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meeting carried through unanimously..

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines however the compliance reports were not submitted to the Board in time.

We further report that during the audit period the company has

- i) No instances of Public/Right/Preferential issue of shares /debentures/sweat equity, etc.
- ii) No instances of Redemption / buy-back of securities.
- iii) No major decisions were taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv) No instances of Mergers/ Amalgamations/ Reconstruction etc.
- v) No instances of Foreign Technical Collaboration

Place : Kanpur
Date : 25.07.2016

For Sarvesh S.Srivastava
Company Secretaries
(Sarvesh S.Srivastava)
Proprietor
ACS No. : 7719
C.P.No. : 3919

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

STANDARD SURFACTANTS LTD.

CIN: L24243UP1989PLC010950

Annexure 'A'

To,
The Members
Standard Surfactants Limited
CIN :L24243UP1989PLC010950
Regd. Off. 8/15, Arya Nagar, Kanpur-208002

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Sarvesh S. Srivastava
Company Secretaries
(Sarvesh S. Srivastava)
Proprietor
ACS No. : 7719
C.P.No. : 3919

Place : Kanpur
Date : 25.07.2016

FORM No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2015

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

To,
The Members
Standard Surfactants Limited
CIN :L24243UP1989PLC010950
Regd. Off. 8/15, Arya Nagar, Kanpur-208002

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Standard Surfactants Limited for the financial year ended on 31st March, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(not applicable to the company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(not applicable to the company during the audit period)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable to the company during the audit period)
- (vi) Management has identified and confirmed the following laws as specifically applicable to the Company. :
1. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
 2. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
 3. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
 4. Factories Act, 1948 and allied State Laws
 5. Hazardous Waste (Management and Handling) Rules 1989

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meeting and General Meeting
- (ii) The Listing Agreements entered into by the Company with BSE Limited, and
- (iii) SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015
- (iv) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:
 1. Clause 41 of the Listing Agreement. requires the company to publish its unaudited / audited Financial Results within 45/60 days of the end of the Quarter etc. However company failed to make compliance within time for the Quarter ended on 31.03.2014. However, the same has been submitted with some delay.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meeting carried through unanimously.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines however the compliance reports were not submitted to the Board in time.

We further report that during the audit period the company has

- i) No instances of Public/Right/Preferential issue of shares /debentures/sweat equity, etc.
- ii) No instances of Redemption / buy-back of securities.

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- iii) No major decisions were taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv) No instances of Mergers/ Amalgamations/ Reconstruction etc.
- v) No instances of Foreign Technical Collaboration

Place : Kanpur
Date : 30-10-2015

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

For Sarvesh S. Srivastava
Company Secretaries
(Sarvesh S. Srivastava
Proprietor
ACS No. : 7719
C.P.No. : 3919

Annexure A

To,
The Members
Standard Surfactants Limited
CIN :L24243UP1989PLC010950
Regd. Off. 8/15, Arya Nagar, Kanpur-208002

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Kanpur
Date : 30.10.2015

For Sarvesh S. Srivastava
Company Secretaries
(Sarvesh S. Srivastava)
Proprietor
ACS No. : 7719
C.P.No. : 3919

Annexure 'E' to the Directors' Report

Form AOC-2

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

1. Details of contracts or arrangements or transaction not at arm's length basis:

Name of the Related party	Nature of Relationship / arrangement / transaction	Nature of Contract / arrangement / transaction	Duration of the Contract / arrangements or transactions including the value, if any.	Salient terms of the contracts or contracts or arrangements or transactions	Justification for entering into such the Board	Date(s) of approval by	Amount paid as advances, if any passed in general meeting as required under first proviso to section 188	Date on which the resolution was
---NIL---								

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the Related party	Nature of Relationship	Nature of Contract / arrangement / transaction	Duration of the Contract / arrangement / transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Details given in Sub Note No. II of Note No. 31 of the Financial Statements which forms part of the Annual Report						
No fresh contract or arrangement has been entered during the year.						

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DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of STANDARD SURFACTANTS LIMITED

Pursuant to Regulation 17 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, I hereby declare that all the members of the Board and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2016.

For STANDARD SURFACTANTS LIMITED

Place : Kanpur

Date : 03.08.2016

PAWAN KUAMR GARG

Chairman and Managing Director

DIN No. 00250836

CERTIFICATION BY THE CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER 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 statements 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 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. 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, 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

DHIRENDRA KUMAR GUPTA

Chief Financial Officer

PAWAN KUMAR GARG

Chairman and Managing Director

DIN No.00250836

Place : Kanpur

Date : 03-08-2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR 2015-16**(i) Industry structure and developments:**

At present your company is mainly engage in manufacturing of chemicals and surface active. The Company's operation may be affected by economic conditions, demand/ supply scenarios, price conditions, market conditions in which the Company operates. The current obstacles in the financial market have clouded the prospects of the Company. The company's committed to grow manufacturing and trading activities respectively in the current year.

(ii) Opportunities and Threats:

Opportunities for the company are growing domestic market and significant increase in demand of global detergent and surfactants/ Chemicals and Surface active market. On the other side threats, increasing competition from sub-standard and unregistered detergent and Chemicals and Surface active market. Further, company is facing competition from local market and Job workers in Indian Market.

(iii) Segment wise or product wise performance:

The Company operates in two primary business segments viz. Manufacturing of Chemicals and Surface active segment and a Consignment of Stockiest of Indian Oil Corporation Limited, which engaged in trading of High Density Polyethylene, Linear Low Density Polyethylene, Poly Propylene, Other Polymers, Paraffin wax and other petro and petroleum products. Further, Segment wise or product wise performance are self explanatory under Note no. 36 of the Financial Statements which forms a part of the Annual Report, which are self explanatory and need no further comments.

(iv) Outlook:

The Company continues to work on technological upgradation in its plant and machinery and continues to lay emphasis to expand the Trade division for better performance of the Company. The outlook for the current financial look robust the management and is hopeful of improving its profitability.

(v) Risk and concerns:

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in an overseeing and approving the company's enterprise wide risk management framework; and an overseeing that all the risks that the organization faces, identification and assessment of risks and maintaining adequate risk management infrastructure in place capable of addressing those risks.

(v) Internal Control System:

The Company has satisfactory internal control system. The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines and is carried out by independent firm of Chartered Accountants. Internal audit reports are periodically put to and are reviewed by the Audit Committee and top Management on a quarterly basis.

(vi) Financial and Operational Performance:

The Director's Report has specifically dealt with subject matter the headings 'Operational Review'

(v) Human Resources:

Human resource is the most important resource in management and needs to be used efficiently. The Company views its employees as valuable resources who are important stakeholders in the growth, prosperity and development of the Organization. The Company is committed to provide necessary training to improve necessary skills required within the employees. The management of the company maintains cordial relations with its employees at all levels.

(vi) Cautionary Statement:

The statements made in this report describe the company's objectives and projections that may be forward looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies, tax regime and other incidental factors, price conditions, domestic and international markets which are beyond the control of the company.

For Standard Surfactants Limited

Place : Kanpur

ATUL KUMAR GARG

PAWAN KUMAR GARG

Date : 03.08.2016

Whole-time-Director
DIN No. 00250868

Chairman & Managing Director
DIN No. 00250836

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INDEPENDENT AUDITORS' REPORT

To,
The Members of
STANDARD SURFACTANTS LIMITED
Kanpur

REPORT ON THE STANDALONE FINANCIAL STATEMENTS :

We have audited the accompanying standalone financial statements of **M/S STANDARD SURFACTANTS LTD.** ("the company"), which comprise the Balance Sheet as at **MARCH 31ST, 2016**, the Statement of Profit & Loss, the Cash Flow Statement, and a Summary of Significant Accounting Policies and Other Explanatory Information attached there with for the year then ended.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit.

We have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Modified opinion

- (i) The retirement and other benefits to employees are not ascertained, disclosed and provided for in accordance with AS-15 issued in terms of Companies (Accounting Standard) Rules 2006 read with Rule 7 of Companies (Accounts) Rules.

2014. We are unable to comment on the adequacy of provision for gratuity and retirement benefits in absence of actuarial valuation.

- (ii) Some of the balances 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:-

- a) In the case of the Balance Sheet, of the State of Affairs of the Company as at MARCH 31ST 2016.
- 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. 18 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, 2016, issued by the Central Government of India in terms of section 143(11) of the Companies Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section-143(3) of the Act, we report that :-
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. Except for the effects of the matter described in the Basis for Modified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. Except for the effects of the matter described in point (i) in the Basis for Modified opinion paragraph above, in our opinion, the aforesaid standalone Financial Statement comply with the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e. Except for the effects of the matter described in point (i) and (ii) in the basis for Modified opinion paragraph above, in our opinion, the observations and comments of the auditor on the standalone financial matters or transactions does not have any adverse effect on the company.
 - f. On the basis of the written representations received from the directors as on March 31st, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016, from being appointed as a director in Terms of Section-164(2) of the Act.
 - g. We have audited the financial statements of the company as stated aforesaid and observed that the company has an Internal Control System in place in respect of its financial transactions during the year. However, the company has not documented the essential components of risk and internal control stated in the guidance note on audit of Internal Financial Control over financial reporting issued by the Institute of Chartered Accountants of India. In absence of such specific documentation of Internal Financial Control system, we are unable to conduct specific audit of Internal Financial Controls in place and the operative effectiveness of such controls.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

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Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. We are informed that the impact of pending litigations on the financial position of the company is not material to effect the standalone financial statements as of March 31st 2016.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MITTAL GUPTA & CO.

Chartered Accountants

Firm Regn. No.: 01874C

AKSHAY KUMAR GUPTA

Partner

Membership No. 70744

Place : Kanpur
Date : 03.08.2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of Standard Surfactants Limited (the Company) on the financial statements for the year ended 31st March, 2016, we report that:

- 1) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(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 three 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 title deeds of immovable property are held in the name of the company.
- 2) As explained to us, the stock of raw materials, work-in-progress and finished goods have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The company has not accepted any deposits as defined in Companies Act, 2013.
- 6) Central Government has prescribed maintenance of Cost Records U/s-148 (1) of the Companies Act 2013, for the products or services rendered by the company. We have been informed that these records are under preparation.
- 7) (a) The Company is regularly depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax (VAT), Service-tax, duty of excise and other material statutory dues applicable to it with some delay to the appropriate authorities. There are no undisputed statutory dues as

referred to above as at 31st March,2016 outstanding for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, details of dues of Income tax, Service-tax, Sales-tax (VAT), Stamp duty and other statutory material dues, which have not been deposited on account of any dispute are as per details given in note no. 18 of Notes to accounts.
- 8) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank or financial institutions during the year.
- 9) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer and did not avail any term loan during the year.
- 10) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

Place : Kanpur
Date : 03.08.2016

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

AKSHAY KUMAR GUPTA
Partner
Membership No.70744

TWENTY SEVENTH ANNUAL REPORT

Annexure A - of Audit Report

	As at 31.03.2016 (Rs. in Laacs)	As at 31.03.2015 (Rs. in Laacs)
Contingent Liabilities on account of		
(a) Excise Duty Demand in dispute	6.95	17.2
(b) Service Tax demand in dispute	0.00	0.0
(c) Sales/Trade Tax Demand in dispute	29.68	29.8
(d) Entry tax Demand in dispute	1.57	N
(e) Electricity Demand in dispute	Nil	N

Details of Pending Cases and disputed amount before Adjudicating Authority of Central Excise, Service Tax and Trade tax/ Sales tax department/ authority

Particulars	Financial Year to which matter pertains	Adjudicating authority where dispute is pending	Unit	Amount (Rs. in laacs)
(A) Central Excise duty/ Penalty in dispute	2004-05	Hon'ble High Court, Allahabad	Rania, Kanpur	2.25
	2011-12	Dy. Comm. Excise Appeal, Bhopal	Mandideep Bhopal	4.70
	Total of (A)			6.95
(B) Service Tax in Dispute	-	-	-	-
	Total of (B)			-
(C) Trade Tax in Dispute	2007-08	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	5.13
	2007-08	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	4.22
	2008-09	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	3.73
Central Sales Tax Demand under MPST, Act.	2001-02	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	1.88
	2003-04	Commercial Tax, Tribunal Bhopal. (Speciality Div.)	Mandideep, Bhopal	3.25
	2006-07	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	0.50
	2009-10	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	1.80
	2010-11	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	5.31
	2011-12	Dy Commissioner, Commercial, Tax Bhopal. (Speciality Div.)	Mandideep, Bhopal	2.17
	2011-12	Dy Commissioner, Commercial, Tax Bhopal. (So3.)	Mandideep, Bhopal	1.02
	2012-13	Commercial Tax officer (Speciality Div.)	Mandideep, Bhopal	0.67
Total of (C)			29.68	
(D) Entry tax demand in dispute	2007-08	Commercial Tax officer (Speciality Div.)	Mandideep, Bhopal	1.57
			Total of (D)	
Grand total of A+B+C+D= (E)				38.20

ACCOUNTS

TWENTY SEVENTH ANNUAL REPORT

STANDALONE BALANCE SHEET AS AT 31.03.2016

	Note No.	As at 31.03.2016		As at 31.03.2015	
		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	54,378,582		50,030,427	
(c) Money received against share warrants			125,504,782		121,156,627
(2) Share application money pending allotment	4		-		-
(3) Non-Current Liabilities					
(a) Long-term borrowings	5	2,603,024		4,476,313	
(b) Deferred tax liabilities (Net)	6	12,324,756		12,790,788	
(c) Other Long term liabilities	9	-		-	
(d) Long term provisions	7	206,775	15,134,555	206,775	17,473,876
(4) Current Liabilities					
(a) Short-term borrowings	8	63,543,387		73,702,359	
(b) Trade payables	9	27,348,987		19,934,806	
(c) Other current liabilities	9	37,318,415		46,797,429	
(d) Short-term provisions	10	88,479	128,299,268	164,321	140,598,915
Total			268,938,605		279,229,418
II. Assets					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	75,210,109		84,044,197	
(ii) Intangible assets		240,000		240,000	
(b) Non-current investments	12	-		-	
(c) Deferred Tax Assets (Net)		-		-	
(d) Long term loans and advances	13	7,972,915		7,638,771	
(e) Other non-current assets	17	-	83,423,024	-	91,922,968
(2) Current assets					
(a) Current investments	12	6,500,000		6,500,000	
(b) Inventories	14	35,518,994		27,383,862	
(c) Trade receivables	15	79,076,245		96,833,133	
(d) Cash and bank balances	16	17,495,636		12,539,532	
(e) Short-term loans and advances	13	29,974,466		31,957,513	
(f) Other current assets	17	16,950,241	185,515,581	12,092,410	187,306,450
Total			268,938,605		279,229,418
III. Contingent Liabilities and Commitments ¹⁸					
(To the extent not provided for)					
Significant Accounting Policies	1				

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner
M. No. 70744
Date : 03.08.2016
Place : KANPUR

Dhirendra Kumar Gupta
Chief Financial Officer
Maninder Kumar Jha
Company Secretary

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	Year Ended 31.03.2016		Year Ended 31.03.2015	
		Rs.	Rs.	Rs.	Rs.
I) Income					
Revenue from Operations	19		441,348,950		533,768,947
II) Other Income	20		7,852,610		2,774,539
III) Total Revenue (I + II)			<u>449,201,560</u>		<u>536,543,486</u>
IV) Expenses :					
Cost of materials consumed			79,110,578		99,364,232
Purchase of Stock-in-Trade	21		289,646,750		340,275,589
Changes in inventories of finished goods, work-in-progress	22		(1,940,175)		4,779,865
Employee benefit expenses	23		14,718,826		14,069,331
Financial costs	24		14,686,675		15,297,026
Depreciation and amortization expense	11		6,413,203		8,574,960
Other expenses	25		40,133,580		47,304,512
Total Expenses			<u>442,769,437</u>		<u>529,665,515</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)			6,432,123		6,877,971
VI. Exceptional Items			-		-
VII. Profit before extraordinary items and tax (V - VI)			6,432,123		6,877,971
VIII. Extraordinary Items			-		-
IX. Profit before tax (VII - VIII)			<u>6,432,123</u>		<u>6,877,971</u>
X. Tax expense:					
Current tax		2,270,869		2,105,388	
Add :MAT Credit Entitlement		279,131		1,294,612	
Deferred Tax		(466,032)		(1,123,931)	
XI. Profit for the period (IX - X)			<u>4,348,155</u>		<u>4,601,902</u>
XII) Earning Per equity Share of Rs 10 Each					
Basic			0.61		0.64
Diluted					

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner
M. No. 70744
Date : 03.08.2016
Place : KANPUR

Dhirendra Kumar Gupta
Chief Financial Officer
Maninder Kumar Jha
Company Secretary

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

TWENTY SEVENTH ANNUAL REPORT

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	Rs. in Lacs For the Year 2015-2016	Rs. in Lacs For the Year 2014-2015
A : CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per P&L Account	64.32	68.78
Net Profit before tax and Extraordinary items	<u>64.32</u>	<u>68.78</u>
Adjusted for :		
Depreciation on Fixed Assets	64.13	85.75
Profit/Loss on sale of Assets	0.00	11.00
Foreign Exchange Forward Risk Premium	39.64	49.44
Discount	1.76	0.00
Bad Debts/Balance Written Off	0.59	7.21
Balances Written Back	(23.67)	44.20
Interest Expenses	107.23	103.53
Interest Received	(6.75)	(17.17)
Rate Difference	(32.79)	0.00
Discount Received	(10.67)	0.00
Early Payment Received	(1.79)	0.00
Operating Profit before Working Capital changes adjusted for :	<u>202.00</u>	<u>352.74</u>
Trade & Other Receivables	169.59	(117.59)
Inventories	(81.35)	47.77
Trade Payable	55.41	210.26
Cash generated from operations	<u>345.64</u>	<u>493.17</u>
Income Tax Paid	(24.25)	(34.00)
Income Tax Adjustment	0.00	(2.79)
Cash Flow before Extra Ordinary Items	<u>321.39</u>	<u>456.38</u>
Extraordinary items	0.00	0.00
Net Cash from/(used in) Operating Activities	<u>321.39</u>	<u>456.38</u>
B : CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5.15)	(32.27)
Sale of Fixed Assets	1.65	13.79
Interest Received	6.31	17.16
Net Cash from/(used in) Investing Activities	<u>2.81</u>	<u>(1.32)</u>

STANDARD SURFACTANTS LTD.

CIN: L24243UP1989PLC010950

	Rs. in Lacs For the Year 2015-2016	Rs. in Lacs For the Year 2014-2015
C : CASH FLOW FROM FINANCING ACTIVITIES		
FDR pledged against margin money	(30.70)	9.53
Acceptance / Repayment of Unsecured Loans	(13.88)	(162.74)
Acceptance / Repayment of Long Term Loans	(11.46)	(2.85)
Net increase/(decrease) in Bank Borrowings	(101.59)	(63.99)
Foreign Exchange Forward Risk Premium	(40.92)	(49.44)
Interest Paid	(107.23)	(103.53)
Net Cash from/(used in) Financing Activities	<u>(305.77)</u>	<u>(373.02)</u>
Net increase/(decrease) in Cash & Cash Equivalents	18.43	82.04
Opening Balance of Cash & Cash Equivalents	121.73	39.70
Closing Balance of Cash & Cash Equivalents	<u>140.16</u>	<u>121.73</u>

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner
M. No. 70744
Date : 03.08.2016
Place : KANPUR

Dhirendra Kumar Gupta
Chief Financial Officer
Maninder Kumar Jha
Company Secretary

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

TWENTY SEVENTH ANNUAL REPORT

NOTE-1 SIGNIFICANT ACCOUNTING POLICIES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2016.

(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 2013, 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 on the basis of life given and in the manner prescribed in schedule II to the Company Act, 2013. In case of plant and machinery where the useful life is evaluated by an expert, the depreciation is provided on the basis of such useful life.
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 :

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

(H) Investment :

1. Investment is carried at cost and diminutions in value of investments is made in case of permanent loss

(I) Taxes of income :

1. 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 and deferred tax has been computed as per Accounting Standard 22 given by Institute of Chartered Accountants of India.

(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 Kumar Gupta

Partner

M.No -70744

Place : Kanpur

Dated : 3rd August, 2016

TWENTY SEVENTH ANNUAL REPORT

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.		As at 31.03.2015 Rs.	
NOTE - 2 : SHARE CAPITAL,				
I) Authorised Capital				
10,000,000 (10,000,000) Equity Shares of Rs.10 each		100,000,000		100,000,000
TOTAL		<u>100,000,000</u>		<u>100,000,000</u>
Issued and subscribed capital				
Equity Share		-		-
7147600 (7147600) Equity Shares of Rs.10 each fully paid up		71,476,000		71,476,000
		<u>71,476,000</u>		<u>71,476,000</u>
Paid up capital				
Equity Share		-		-
7147600 (7147600) Equity Shares of Rs.10 each fully paid up		71,476,000		71,476,000
Less : Calls in arrear		(349,800)		(349,800)
		<u>71,126,200</u>		<u>71,126,200</u>
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				
Equity Share				
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
Aditya Garg	764,700	10.70	-	-
Atul Kumar Garg	-	-	549,500	7.69
Pawan Kumar Garg	374,800	5.24	374,800	5.24
Kunal Garg	535,000	7.49	750,000	10.50

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.

CIN: L24243UP1989PLC010950

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016		As at 31.03.2015	
	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	26,370,340	-	51,399,293	-
Less : Dep adjustment	-	-	(15,716,134)	-
Less : Deferred Tax Adjustment	-	-	(13,914,719)	-
Add : Profit for the period	4,348,155	30,718,495	4,601,900	26,370,340
TOTAL	54,378,582	54,378,582	50,030,427	50,030,427

NOTE-4 : SHARE APPLICATION MONEY PENDING ALLOTMENT :

I) Nil

TOTAL

NOTE-5 : LONG TERM BORROWINGS :

	As at 31st March, 2016		As at 31st March, 2015	
	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	652,591	726,265	1,138,086	1,387,100
	<u>652,591</u>	<u>726,265</u>	<u>1,138,086</u>	<u>1,387,100</u>
II) Unsecured Borrowings				
From related parties	-	-	4,967	-
From Others	1,950,433	-	3,333,260	-
	<u>1,950,433</u>	<u>-</u>	<u>3,338,227</u>	<u>-</u>
TOTAL	2,603,024	726,265	4,476,313	1,387,100

Notes :

Rupee Term Loans from non banking financial institution is :-

- (a) Secured by first charge on hypothecation of five cars owned by the company.
- (b) Rate of interest is 5.75% of outstanding principal amount, repayable monthly installment of Rs. 17,910 (agreement no. CF6882438) Rs. 29,000 (agreement no. CF8224477) & Rs. 25,740 (agreement no. CF 6926179) Rs. 21,412 (CF9454470) and Rs. 19,089 (agreement no. CF10451052) are given against car loan

TWENTY SEVENTH ANNUAL REPORT

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-6 : DEFERRED TAX LIABILITY(NET):		
Deferred tax liabilities :		
i) On account of differences in written down value of fixed assets	12,541,330	12,790,788
Deferred tax Assets :		
i) On account of timing difference of expenses which are allowable under Income Tax laws in subsequent years	216,574	-
TOTAL	<u>12,324,756</u>	<u>12,790,788</u>
 NOTE-7 : LONG TERM PROVISIONS :		
Provision of employee benefit		
i) Provision for Gratuity	206,775	206,775
TOTAL	<u>206,775</u>	<u>206,775</u>
 NOTE-8 : SHORT TERM BORROWINGS :		
A. Secured :		
i) Loan repayable on demand from banks		
Cash Credit from SBI	6,891,512	19,957,671
SBI-FCNRB (USD) Loan	56,651,875	53,744,688
ii) Loan repayable on demand from other parties	-	-
B. Unsecured :		
Other Loans & Advances from Bank	-	-
Other Loans & Advances from related parties	-	-
TOTAL	<u>63,543,387</u>	<u>73,702,359</u>

Note : 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.

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*Notes annexed to and forming part of Accounts as at 31.03.2016***NOTE-9 : TRADE PAYABLES & OTHER CURRENT LIABILITIES :**

	As at 31st March, 2016		As at 31st March, 2015	
	Non-Current Portion	Current Maturities	Non-Current Portion	Current Maturities
Trade Payables				
Raw Materials	-	25,763,769		14,124,720
Others:	-	1,585,218		5,810,086
	-	27,348,987	-	19,934,806
Other Current Liabilities :				
Current maturity of long term borrowing		726,265		1,387,100
Interest accrued but not due on borrowings		-		-
Interest accrued and due on borrowings		1,729,479		1,857,409
Advance from Customers		8,109,923		36,918,458
Others :				
Statutory dues Payable	-	4,600,378	-	4,361,903
Other current liability	-	20,923,692		545,297
Creditors for Capital Expenditure	-	206,244		368,318
Provision for expenses	-	984,632		1,351,392
Imprest account of staff	-	37,802		7,552
TOTAL	-	37,318,415	-	46,797,429

NOTE-10 : SHORT TERM PROVISIONS :

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
i) Provision for Bonus	-	-
ii) Provision for Leave encashment	88,479	164,321
iii) Provision for tax	-	-
TOTAL	88,479	164,321

NOTE - II : FIXED ASSETS AS AT 31.03.2016

Particulars of Assets	COST Rs.				DEPRECIATION/AMORTISATION Rs.			NET BLOCK Rs.			
	Rate of Dep.	Gross Block As on 01.04.2015	Additions	Deduction	Transfer/ W. Off	As on 31.03.2016	As at 01.04.2015	For the Year	As at 31.03.2016	As at 31.03.2015	
Lease Hold Land		1,767,182	-	-	-	1,767,182	392,017	17,632	-	1,357,533	1,375,165
Free Hold Land		4,936,113	-	-	-	4,936,113	-	-	-	4,936,113	4,936,113
Building		84,102,955	-	-	-	84,102,955	47,293,961	2,432,808	-	34,377,085	36,809,894
Building (Agglo)		1,321,990	-	-	-	1,321,990	240,220	41,390	-	1,040,381	1,081,770
Plant & Machinery		185,829,103	312,398	165,000	17,432,180	168,544,521	151,779,093	2,831,336	14,661,447	28,995,538	34,050,010
Furniture		6,050,147	-	-	-	6,050,147	5,719,961	93,599	-	236,586	330,186
Vehicles		11,480,625	-	-	-	11,480,625	669,187	77,889	-	4,814,246	4,789,138
Office Equipments		4,720,416	89,750	-	-	4,810,166	4,115,041	160,190	-	534,933	605,375
Computer		5,448,262	112,500	-	-	5,560,762	5,382,213	61,354	-	117,694	66,549
Technical Know How		240,000	-	-	-	240,000	-	-	-	240,000	240,000
Brands / Trademark		3,500,000	-	-	-	3,500,000	3,500,000	-	-	-	-
Total		309,397,294	514,848	165,000	17,432,180	292,314,962	225,113,893	6,413,283	14,661,447	75450189	84,284,197
P. Y. 2014-15		(311,823,754)	(4,331,138)	(5,653,310)	(1,104,288)	(309,397,294)	(203,995,564)	(8,574,960)	(16,419,955)	(84,284,197)	(107,828,189)

NOTE:

- Plant & Machinery contains CABS Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 775770 and 1 year respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 7 years. Therefore, depreciation has been calculated on the basis of the certificate so received.
- Plant & Machinery contains Spray Dryer Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 2898244 and 1.78 years respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 6 years. Therefore, depreciation has been calculated on the basis of the certificate so received.
- Plant & Machinery contains Detergent Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 50435318 and 9.68 year respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 14 years. Therefore, depreciation has been calculated on the basis of the certificate so received.

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Notes annexed to and forming part of Accounts as at 31.03.2016**NOTE-12 : INVESTMENTS :**

	As at 31st March, 2016		As at 31st March, 2015	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
Unquoted Investments		6,500,000		6,500,000
(Cost of unquoted 650000 equity shares of Rs. 10 each in Standard Organo Chemicals Pvt. Ltd. (an associate company)		-		-
TOTAL		<u>6,500,000</u>		<u>6,500,000</u>

NOTE-13 : LONG AND SHORT TERM LOANS & ADVANCES :

(Unsecured considered good unless otherwise stated)

Capital Advances	4,076,107	-	4,147,249	-
Security deposits	3,896,808	5,780,120	3,491,522	6,580,206
Loans & Advances to related parties	-	48,944	-	48,944
Other Loans and Advances :				
Advance to Supplier	-	5,891,841	-	4,617,330
Advance to Others	-	17,476,607	-	19,968,623
Advance to Staff	-	776,954	-	742,410
TOTAL	<u>7,972,915</u>	<u>29,974,466</u>	<u>7,638,771</u>	<u>31,957,513</u>

NOTE-14 : INVENTORIES :

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Stock in trade	14,822,364	15,335,950
Goods in transit	11,200,000	1,674,117
Finished Goods	4,874,924	2,421,163
Work in Progress	-	179,130
Raw Material	2,400,772	5,478,566
Stores, Spare Parts and Tools	1,650,683	1,715,532
FO, HSD & wood	570,250	579,405
TOTAL	<u>35,518,994</u>	<u>27,383,862</u>

NOTE-15 : TRADE RECEIVABLES :

(Unsecured considered good unless otherwise stated)

a) Outstanding for a Period Exceeding Six Months from the date they are due for payment:	1,668,715	2,675,704
b) Other receivables	77,407,529	94,157,429
TOTAL	<u>79,076,245</u>	<u>96,833,133</u>

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-16 : CASH & BANK BALANCES :		
I) Cash and cash equivalents		
Balance with Banks:		
On Current Account	1,348,570	2,568,479
Deposit with original maturity of less than 3 month	-	-
Cash in Hand	7,040,931	4,387,084
Cheques & Drafts in Hand	-	-
II) Other Bank Balances:(Fixed Deposit)		
Deposits pledged against margin money/guarantee	3,385,000	315,469
Deposits with original maturity more than 3 months but upto 12 months	64,102	58,888
Deposits with original maturity more than 12 months	5,562,502	5,158,957
Accrued interest on Fixed Deposits	94,531	50,655
TOTAL	17,495,636	12,539,532

NOTE-17 : OTHER NON CURRENT AND CURRENT ASSETS :

(Unsecured considered good unless otherwise stated)

	As at 31st March, 2016		As at 31st March, 2015	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
Others :				
Interest receivable	-	1,906	-	961
Deposits(Govt.)	-	3,426,243	-	1,957,347
Prepaid expenses	-	1,344,976	-	1,918,857
Balance with Excise Dept	-	3,465,353	-	2,149,654
Income tax payments	-	4,977,784	-	4,823,215
Insurance Claim Receivable	-	963,245	-	963,245
Assets held for disposal	-	2,770,733	-	-
MAT credit entitlement	-	-	-	279,131
TOTAL	-	16,950,241	-	12,092,410

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016		As at 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
NOTE-18 : CONTINGENT LIABILITIES & COMMITMENTS:				
Contingent Liabilities :				
Claims against the Company not acknowledged as debts		-		-
Other Contingent Liabilities				
In respect of disputed Excise duty demand		695,000		1,725,000
In respect of disputed Service Tax demand		-		-
In respect of disputed Sales/trade Tax demand		2,968,000		2,901,000
In respect of disputed Entry Tax demand		157,000		-
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-19 : REVENUE FROM OPERATIONS :				
Sales				
Sale of finished products	407,886,705		482,233,992	
Job work charges	125,738,876		205,661,788	
Less : Excise Duty	(110,694,283)		(174,763,224)	
Sale of other materials	249,892		381,072	
Rental income	6,000,000	429,181,190	534,000	518,853,628
Other Operating Revenue				
Commission received	6,733,484		9,650,237	
Sale of scrap & waste	-		375,265	
Freight recovered	-		30,000	
Compensation of wet material	-		24,000	
Rate difference	1,821,000		6,300	
Discount	1,067,177		209,653	
Early payment incentive	179,378		199,657	
Balance Written back	2,366,721	12,167,760	-	4,420,207
TOTAL		441,348,950		533,768,947
NOTE-20 : OTHER INCOME :				
Profit on sale of assets		-		3,400
Late payment charges		-		34,806
Interest Received		6,160,242		1,717,011
Insurance claim Received		-		251,233
Income (other)		1,692,368		768,089
TOTAL		7,852,610		2,774,539

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-21 : PURCHASE OF STOCK IN TRADE :		
Finished Products	289,646,750	340,275,589
TOTAL	<u>289,646,750</u>	<u>340,275,589</u>

NOTE-22 : CHANGES IN INVENTORIES :

Finished Goods	19,697,288	17,757,113
Work-in-Progress	-	-
Raw materials	-	-
TOTAL	<u>19,697,288</u>	<u>17,757,113</u>
At the Beginning of the Period :		
Finished Goods	17,757,113	22,536,978
Work-in-Progress	-	-
Raw materials	-	-
TOTAL	<u>17,757,113</u>	<u>22,536,978</u>
	<u>(1,940,175)</u>	<u>4,779,865</u>

NOTE-23 : EMPLOYEE BENEFITS EXPENSES :

Salary and Wages & Bonus	13,279,084	12,261,674
Staff Welfare Expenses	536,154	812,943
Gratuity	-	83,340
Contribution to Provident & Other Fund	903,588	911,374
TOTAL	<u>14,718,826</u>	<u>14,069,331</u>

NOTE-24 : FINANCE COSTS :

Interest Expenses	8,611,327	8,418,153
Bank guarantee charges	516,783	874,967
Bank Charges	1,594,658	1,059,719
Forward contract premium (dollar)	3,963,907	4,944,187
TOTAL	<u>14,686,675</u>	<u>15,297,026</u>

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-25 : OTHER EXPENSES :		
Audit expenses	12577	20635
Freight	4,341,866	4,751,044
Power and fuel.	15,591,109	18,852,382
Depot Expenses	168,168	279,949
Taxes on Sale	2,492,857	3,333,860
Discount	176,292	-
Repairs and Maintainence	1,529,156	3,128,525
Travelling & Conveyance Expenses	1,690,452	2,675,380
Insurance .	875,674	1,136,673
Interest payment	305,921	616,461
Material Handling	39,810	59,460
Miscellaneous expenses	1,521,197	2,254,130
Postage and telephone	1,153,932	1,027,301
Printing & Stationery	381,323	304,855
Rent,taxes,legal & professional expenses	2,340,112	2,854,120
Office exps	16,495	15,610
Prior Period Expenses	43,148	90,114
Packaging & Processing	869,204	1,070,891
Security exp	494,275	540,000
Cash Shortage	50,000	-
Service tax paid	494,335	481,695
Sales tax demand	50,086	429,759
Business development expenses	275,138	351,045
Professional (Including audit fees)	259,500	443,631
Vehicle running & maintenance	1,722,958	1,998,730
Loss on sale of assets	-	1,103,037
Entertainment expenses	-	4,000
Laboratory charges	189,658	250,885
Water charges	254,743	248,815
Excise Duty on op. & cl. stock	235,043	(1,794,437)
Donation and subscription	50,640	54,951
Bad debt & balance written off	58,621	721,011
Entry Tax Demand	47,290	-
Clearing charges	402,000	-
TOTAL	40,133,580	47,304,512

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-26 : EARNINGS PER EQUITY SHARES :		
I) Net Profit after Tax Attributable to Equity Shareholders for Basic EPS	4,348,155	4,601,902
<i>Add : Adjustment relating to Potential Equity Shares</i>	-	-
Net Profit after Tax Attributable to Equity Shareholders for Diluted EPS	4,348,155	4,601,902
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	0.61	0.64
Diluted EPS	0.61	0.64
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
<i>Add : Potential Equity Shares</i>	-	-
No. of Shares used for Calculating Diluted EPS	<u>7,147,600</u>	<u>7,147,600</u>
NOTE-27 : PAYMENT TO AUDITOR :		
a) Payment to Auditors		
Audit Fees	170,000	140,000
Reimbursement of Expenses including service tax	38,077	40,235
Income tax appeal fees	-	-
	<u>208,077</u>	<u>180,235</u>
NOTE-28 : EARNINGS IN FOREIGN CURRENCY :		
a) Earning in Foreign Currency	-	-
NOTE-29 : EXPENDITURE IN FOREIGN CURRENCY :		
a) Expenditure in Foreign Currency		
Machinery	-	-
Interest	3,963,907	4,944,187
Raw material	64,005,287	149,395

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-30 : PRIOR PERIOD ITEMS :		
Prior Period income		
Misc. Income	-	-
Incentive and Commission	-	-
	<u>-</u>	<u>-</u>
Prior Period Expenses		
Salary & Wages	-	-
Other Expenses	43,148	90,114
Interest	-	-
Professional Fees	-	-
	<u>43,148</u>	<u>90,114</u>
Net	<u>43,148</u>	<u>(90,114)</u>

NOTE-31 : 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. Ankur Garg, Whole Time Director
- (iv) Mr. Aditya Garg
- (v) Mr. Kunal Garg

II) Person having significant influence over the enterprises :

- (i) M/s Standard Sulphonators (P) Ltd.
- (ii) M/s Kashi Prasad Roop Kishore
- (iii) M/s Standard Ventures Ltd.
- (iv) M/s Sudhir Kumar Gautam Kumar
- (v) M/s Standard Ganpati Merchandise (P) Ltd.
- (vi) M/s Navsheel Standard Constructions Pvt. Ltd.
- (vii) M/s Standard Organo Chemicals Pvt. Ltd.
- (viii) M/s Icon Developers

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Notes annexed to and forming part of Accounts as at 31.03.2016

II) Details of transactions between the Company and Related Parties :

Nature of Transactions	(Rs. in lacs)			
	2015-16		2014-15	
	KMP	Enterprises	KMP	Enterprises
Sale of goods	-	322.28	-	465.28
Sale of Machinery	-	2.44	-	-
Interest Expenses	-	-	-	0.04
Advance/Loan given	-	-	30.64	560.24
Refund of Advance/Loan	-	-	30.89	652.10
Loan received	75.00	727.16	2.88	451.05
Loan Repaid	75.00	727.16	2.88	551.56
Expenses-Salary	24.00	-	21.60	-
Purchase of Goods	-	341.11	-	660.60
Sitting Fees	1.06	-	-	-
Expenses-other	1.08	5.40	10.39	6.00
Commission received	-	2.14	-	-
Interest Received	-	1.98	-	-
Balance Outstanding				
Amount Receivables	-	2.47	-	0.49
Amount Payables	-	24.24	-	74.47
Security Deposits	-	-	-	70.00

NOTE-32 : ADVANCE & SUNDRY DEBTORS INCLUDE :

	(Rs. in lacs)	
	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
(a) Due from directors	-	-
(b) Due from Pvt. Ltd. Co. & firms in which directors are interested	2.47	0.49

33. 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.

34. In the view of Management

- 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 than or equal to the value stated in the accounts.
- The realizable value of all current assets, in the normal course of business, is not less than the value stated in the balance sheet.

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

STANDARD SURFACTANTS LTD.

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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. Others – engaged in trading and other activities.

(C) Segment Reporting

(Rs. in lakhs)

Particulars	Chemical & Surface Active Segment	Others	Unallocated	Total
Total Sales including excise duties	2,362.82 (3,428.34)	3,054.01 (3,590.22)	– –	5,416.83 (7,018.55)
Result Segment Result	130.17 (225.69)	166.06 (96.79)	– –	296.23 (322.49)
Unallocable Corporate Expenditure (Net of Income)				85.04 (100.74)
Opening Profit (PBIT)				211.19 (221.75)
Interest Expenses				146.87 (152.97)
Profit before Tax				64.32 (68.78)
Provision for Tax – including FBT				20.84 (22.76)
Profit after Tax				43.48 (46.02)
Other Information Segment Assets	802.56 (925.24)	1,376.07 (1,311.26)	510.76 (555.79)	2,689.39 (2,792.29)
Segment Liabilities	101.55 (149.79)	525.29 (477.79)	807.50 (953.15)	1,434.34 (1,580.73)
Capital Expenditure	3.63 (14.05)	0.71 (12.23)	0.81 (17.03)	5.15 (43.31)
Depreciation	40.20 (55.90)	14.46 (19.04)	9.48 (10.81)	64.13 (85.75)

Note : Figures in brackets are for previous year.

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37. The Previous year's figures have been reworked or regrouped and reclassified wherever necessary.
38. Notes- '1 to 37' Form an integral part of accounts.

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner
M. No. 70744
Date : 03.08.2016
Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

INDEPENDENT AUDITORS' REPORT

To,
The Members of
STANDARD SURFACTANTS LIMITED
Kanpur

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS :

We have audited the accompanying consolidated financial statements of M/S STANDARD SURFACTANTS LTD ("the company"), which comprise the Balance Sheet as at MARCH 31ST, 2016, the Statement of Profit & Loss, the Cash Flow Statement, and a Summary of Significant Accounting Policies and Other Explanatory Information attached there with for the year then ended.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 consolidated financial statements based on our audit.

We have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Modified opinion

- (i) The retirement and other benefits to employees are not ascertained, disclosed and provided for in accordance with AS-15 issued in terms of Companies (Accounting Standard) Rules 2006 read with Rule 7 of Companies (Accounts) Rules,

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2014. We are unable to comment on the adequacy of provision for gratuity and retirement benefits in absence of actuarial valuation.

- (ii) Some of the balances 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:-

- a) In the case of the Consolidated Balance Sheet, of the State of Affairs of the Company as at **MARCH 31ST 2016**.
- b) In the case of the Consolidated Profit & Loss Account, of the **PROFIT** for the year ended on that date; and
- c) In the case of the Consolidated 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. 18 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, 2016, issued by the Central Government of India in terms of section 143(11) of the Companies Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section-143(3) of the Act, we report that :-
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. Except for the effects of the matter described in the Basis for Modified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. Except for the effects of the matter described in point (i) in the Basis for Modified opinion paragraph above, in our opinion, the aforesaid standalone Financial Statement comply with the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e. Except for the effects of the matter described in point (i) and (ii) in the basis for Modified opinion paragraph above, in our opinion, the observations and comments of the auditor on the consolidated financial matters or transactions does not have any adverse effect on the company.
 - f. On the basis of the written representations received from the directors as on March 31st, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016, from being appointed as a director in Terms of Section-164(2) of the Act.
 - g. We have audited the financial statements of the company as stated aforesaid and observed that the company has an Internal Control System in place in respect of its financial transactions during the year. However, the company has not documented the essential components of risk and internal control stated in the guidance note on audit of

Internal Financial Control over financial reporting issued by the Institute of Chartered Accountants of India. In absence of such specific documentation of Internal Financial Control system, we are unable to conduct specific audit of Internal Financial Controls in place and the operative effectiveness of such controls.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. We are informed that the impact of pending litigations on the financial position of the company is not material to effect the standalone financial statements as of March 31st 2016 .
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

AKSHAY KUMAR GUPTA
Partner
Membership No. 70744

Place : Kanpur
Date : 03.08.2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of Standard Surfactants Limited (the Company) on the financial statements for the year ended **31st March, 2016**, we report that:

- 1) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(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 three 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 title deeds of immovable property are held in the name of the company.
- 2) As explained to us, the stock of raw materials, work-in-progress and finished goods have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The company has not accepted any deposit as defined in Companies Act, 2013.

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- 6) Central Government has prescribed maintenance of Cost Records U/s-148 (1) of the Companies Act 2013, for the products or services rendered by the company. We have been informed that these records are under preparation.
- 7) (a) The Company is regularly depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax (VAT), Service-tax, duty of excise and other material statutory dues applicable to it with some delay to the appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March, 2016 outstanding for a period of more than six months from the date they become payable.
(b) According to the information and explanations given to us, details of dues of Income tax, Service-tax, Sales-tax (VAT), Stamp duty and other statutory material dues, which have not been deposited on account of any dispute are as per details given in note no. 18 of Notes to accounts.
- 8) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank or financial institutions during the year.
- 9) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer and did not avail any term loan during the year.
- 10) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

Place : Kanpur
Date : 03.08.2016

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

AKSHAY KUMAR GUPTA
Partner
Membership No. 70744

STANDARD SURFACTANTS LTD.

CIN: L24243UP1989PLC010950

Annexure A - of Audit Report

	As at 31.03.2016 (Rs. in Lacs)	As at 31.03.2015 (Rs. in Lacs)
Contingent Liabilities on account of		
(a) Excise Duty Demand in dispute	6.95	17.25
(b) Service Tax demand in dispute	0.00	0.00
(c) Sales/Trade Tax Demand in dispute	29.68	29.01
(d) Entry tax Demand in dispute	1.57	Nil
(e) Electricity Demand in dispute	Nil	Nil

Details of Pending Cases and disputed amount before Adjudicating Authority of Central Excise, Service Tax and Trade tax/ Sales tax department/ authority

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
	2011-12	Dy. Comm. Excise Appeal, Bhopal	Mandideep Bhopal	4.70
	Total of (A)			6.95
(B) Service Tax in Dispute	-	-	-	-
	Total of (B)			-
(C) Trade Tax in Dispute	2007-08	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	5.13
	2007-08	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	4.22
	2008-09	Commercial Tax Tribunal, Kanpur	Rania, Kanpur	3.73
Central Sales Tax Demand under MPST, Act.	2001-02	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	1.88
	2003-04	Commercial Tax, Tribunal Bhopal. (Speciality Div.)	Mandideep, Bhopal	3.25
	2006-07	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	0.50
	2009-10	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	1.80
	2010-11	Dy Commissioner (Appeals), Bhopal. (Speciality Div.)	Mandideep, Bhopal	5.31
	2011-12	Dy Commissioner, Commercial, Tax Bhopal. (Speciality Div.)	Mandideep, Bhopal	2.17
	2011-12	Dy Commissioner, Commercial, Tax Bhopal. (So3.)	Mandideep, Bhopal	1.02
	2012-13	Commercial Tax officer (Speciality Div.)	Mandideep, Bhopal	0.67
Total of (C)			29.68	
(D) Entry tax demand in dispute	2007-08	Commercial Tax officer (Speciality Div.)	Mandideep, Bhopal	1.57
			Total of (D)	
Grand total of A+B+C+D= (E)				38.20

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CONSOLIDATED BALANCE SHEET AS AT 31.03.2016

	Note No.	As at 31.03.2016		As at 31.03.2015	
		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	54,577,332		50,204,536	
(c) Money received against share warrants			125,703,532		121,330,736
(2) Share application money pending allotment	4				
(3) Non-Current Liabilities					
(a) Long-term borrowings	5	2,603,024		4,476,313	
(b) Deferred tax liabilities (Net)	6	12,324,756		12,790,788	
(c) Other Long term liabilities	9				
(d) Long term provisions	7	206,775	15,134,555	206,775	17,473,876
(4) Current Liabilities					
(a) Short-term borrowings	8	63,543,387		73,702,359	
(b) Trade payables	9	27,348,987		19,934,806	
(c) Other current liabilities	9	37,318,415		46,797,429	
(d) Short-term provisions	10	88,479	128,299,268	164,321	140,598,915
Total			269,137,355		279,403,527
II. Assets					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	75,210,109		84,044,197	
(ii) Intangible assets		240,000		240,000	
(b) Non-current investments	12	6,698,750		6,674,109	
(c) Deferred Tax Assets (Net)					
(d) Long term loans and advances	13	7,972,915		7,638,771	
(e) Other non-current assets	17		90,121,774		98,597,077
(2) Current assets					
(a) Current investments	12				
(b) Inventories	14	35,518,993		27,383,862	
(c) Trade receivables	15	79,076,245		68,212,476	
(d) Cash and bank balances	16	17,495,636		12,539,532	
(e) Short-term loans and advances	13	29,974,466		60,578,170	
(f) Other current assets	17	16,950,241	179,015,581	12,092,410	180,806,450
Total			269,137,355		279,403,527
III. Contingent Liabilities and Commitments					
(To the extent not provided for)					
Significant Accounting Policies	1				

III. Contingent Liabilities and Commitments

(To the extent not provided for)

Significant Accounting Policies 1

As per our report of the even date attached

For MITTAL GUPTA & COMPANY

Chartered Accountants

Firm Regn. No. : 01874C

Akshay Kumar Gupta

Partner

M. No. 70744

Date : 03.08.2016

Place : KANPUR

Dhirendra Kumar Gupta

Chief Financial Officer

Maninder Kumar Jha

Company Secretary

For and on behalf of the Board of Directors

Pawan Kumar Garg

Chairman & Managing Director

DIN No. 00250836

Atul Kumar Garg

Whole-time Director

DIN No. 00250868

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	Year Ended 31.03.2016		Year Ended 31.03.2015	
		Rs.	Rs.	Rs.	Rs.
I) Income					
Revenue from Operations	19		441,348,950		533,768,947
II) Other Income	20		7,852,610		2,774,539
III) Total Revenue (I + II)			<u>449,201,560</u>		<u>536,543,486</u>
IV) Expenses :					
Cost of materials consumed			79,110,578		99,364,232
Purchase of Stock-in-Trade	21		289,646,750		340,275,589
Changes in inventories of finished goods, work-in-progress	22		(1,940,175)		4,779,865
Employee benefit expenses	23		14,718,826		14,069,331
Financial costs	24		14,686,675		15,297,026
Depreciation and amortization expense	11		6,413,203		8,574,960
Other expenses	25		40,133,580		47,304,512
Total Expenses			<u>442,769,437</u>		<u>529,665,515</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)			6,432,123		6,877,971
VI. Exceptional Items			-		-
VII. Profit before extraordinary items and tax (V - VI)			6,432,123		6,877,971
VIII. Extraordinary Items			-		-
IX. Profit before tax (VII - VIII)			<u>6,432,123</u>		<u>6,877,971</u>
X. Tax expense:					
Current tax			2,270,869		2,105,388
Add : MAT Credit Entitlement			279,131		1,294,612
Deferred Tax			(466,032)		(1,123,931)
XI. Profit for the period before share of profit of associate (IX - X)			<u>4,348,155</u>		<u>4,601,902</u>
Add : Share of results of Associates			24,641		122,909
XII. Profit for the period			<u>4,372,796</u>		<u>4,724,811</u>
XIII) Earning Per equity Share of Rs 10 Each					
Basic			0.61		0.66
Diluted			0.61		0.66

For and on behalf of the Board of Directors

As per our report of the even date attached
For MITTAL GUPTA & COMPANY
Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner
M. No. 70744
Date : 03.08.2016
Place : KANPUR

Dhirendra Kumar Gupta
Chief Financial Officer
Maninder Kumar Jha
Company Secretary

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	Rs. in Lacs For the Year 2015-2016	Rs. in Lacs For the Year 2014-2015
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per P&L Account	64.32	68.78
Net Profit before tax and Extraordinary Items	<u>64.32</u>	<u>68.78</u>
Adjusted for :		
Depreciation on Fixed Assets	64.13	85.75
Profit/Loss on sale of Assets	0.00	11.00
Foreign Exchange Forward Risk Premium	39.64	49.44
Discount	1.76	0.00
Bad Debts/Balance Written Off	0.59	7.21
Balances Written Back	(23.67)	44.20
Interest Expenses	107.23	103.53
Interest Received	(6.75)	(17.17)
Rate Difference	(32.79)	0.00
Discount Received	(10.67)	0.00
Early Payment Received	(1.79)	0.00
Operating Profit before Working Capital changes adjusted for :	<u>202.00</u>	<u>352.74</u>
Trade & Other Receivables	169.59	(117.59)
Inventories	(81.35)	47.77
Trade Payable	55.41	210.26
Cash generated from operations	<u>345.64</u>	<u>493.17</u>
Income Tax Paid	(24.25)	(34.00)
Income Tax Adjustment	0.00	(2.79)
Cash Flow before Extra Ordinary Items	<u>321.39</u>	<u>456.38</u>
Extraordinary items	0.00	0.00
Net Cash from/(used in) Operating Activities	<u>321.39</u>	<u>456.38</u>
B : CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5.15)	(32.27)
Sale of Fixed Assets	1.65	13.79
Interest Received	6.31	17.16
Net Cash from/(used in) Investing Activities	<u>2.81</u>	<u>(1.32)</u>

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	Rs. in Lacs For the Year 2015-2016	Rs. in Lacs For the Year 2014-2015
C : CASH FLOW FROM FINANCING ACTIVITIES		
FDR pledged against margin money	(30.70)	9.53
Acceptance / Repayment of Unsecured Loans	(13.88)	(162.74)
Acceptance / Repayment of Long Term Loans	(11.46)	(2.85)
Net increase/(decrease) in Bank Borrowings	(101.59)	(63.99)
Foreign Exchange Forward Risk Premium	(40.92)	(49.44)
Interest Paid	(107.23)	(103.53)
Net Cash from/(used in) Financing Activities	(305.77)	(373.02)
Net increase/(decrease) in Cash & Cash Equivalents	18.43	82.04
Opening Balance of Cash & Cash Equivalents	121.73	39.70
Closing Balance of Cash & Cash Equivalents	140.16	121.73

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

Chartered Accountants
Firm Regn. No.: 01874C
Akshay Kumar Gupta
Partner

M. No. 70744
Date : 03.08.2016
Place : KANPUR

Dhirendra Kumar Gupta
Chief Financial Officer
Maninder Kumar Jha
Company Secretary

For and on behalf of the Board of Directors

Pawan Kumar Garg
Chairman & Managing Director
DIN No. 00250836
Atul Kumar Garg
Whole-time Director
DIN No. 00250868

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NOTE-1 SIGNIFICANT ACCOUNTING POLICES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH-2016.

(A) Basic of preparation of financial statements:

1. The consolidated financial statements of the company and its associate (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act 2013 (The Act) read with rule 7 of Companies (Accounts) Rules 2014, and relevant provisions of the Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless otherwise stated.

2. Principles of consolidation

The consolidated financial statements relate to Standard Surfactants Limited ('the company') and of the financial statements of its associate Standard Organo Chemicals Pvt Limited (collectively referred to as the 'Group'). The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the associate company used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31st March, 2016.
- ii) The financial statements of the company and its associate company have been consolidated on the basis of Accounting Standard 23: Accounting for Investments in Associates in Consolidated Financial Statements.
- iii) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, like transaction and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iv) Investments in associates i.e. entities in which the holding Company has significant influence but not a controlling interest are accounted for using the equity method of accounting as laid down under Accounting Standard (AS) 23, "Accounting for Investment in Associates in Consolidated Financial Statements. The investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition and the same is included in the Group's investment in associates. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The Consolidated Statement of Profit and Loss includes the investor's share of results of the operations of the investee.
- v) Following Associate company has been considered in the preparation of the consolidated financial statements:
Name: Standard Organo Chemicals Pvt Limited
Country of Incorporation: India
Proportion of Ownership Interest and Voting Power as at 31.03.2016: 38.24%
Proportion of Ownership Interest and Voting Power as at 31.03.2015: 48.15%

(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 on the basis of life given and in the manner prescribed in schedule II to the Company Act, 2013. In case of plant and machinery where the useful life is evaluated by an expert, the depreciation is provided on the basis of such useful life.
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.

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

(H) Investment :

1. Investment is carried at cost and dimunitions in value of investments is made in case of permanent loss

(I) Taxes of income :

1. 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 and deferred tax has been computed as per Accounting Standard 22 given by Institute of Chartered Accountants of India.

(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 Kumar Gupta

Partner

M.No -70744

Place : Kanpur

Dated : 3rd August, 2016

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE - 2 : SHARE CAPITAL *		
I) Authorised Capital		
10,000,000 (10,000,000) 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
<i>Less : Calls in arrear</i>	<i>(349,800)</i>	<i>(349,800)</i>
	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
<i>Add : Addition during the year</i>	-	-	-	-
No. of Shares at the end of the year	10,000,000	100,000,000	10,000,000	100,000,000
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
<i>Add : Addition during the year</i>	-	-	-	-
<i>Less : Refunded during the year</i>	-	-	-	-
No. of Shares at the end of the year	7,147,600	71,476,000	7,147,600	71,476,000
Paid up capital				
Equity Share				
No. of shares at the beginning of the year	7,147,600	71,126,200	7,147,600	71,126,200
<i>Add : Addition during the year</i>	-	-	-	-
No. of Shares at the end of the year	7,147,600	71,126,200	7,147,600	71,126,200

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
Aditya Garg	764,700	10.70	-	-
Atul Kumar Garg	-	-	549,500	7.69
Pawan Kumar Garg	374,800	5.24	374,800	5.24
Kunal Garg	535,000	7.49	750,000	10.50

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.

CIN: L24243UP1989PLC010950

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016		As at 31.03.2015	
	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	<u>(174,900)</u>	20,931,099	<u>(174,900)</u>	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	26,544,449		51,399,293	
Less : Dep adjustment	-		(15,716,134)	
Less : Deffered Tax Adjustment	-		(13,914,719)	
Add : Share of Post Acquisition Profit of associate for the period 2013-14	-		51,199	
Add : Profit for the period	<u>4,372,796</u>	<u>30,917,245</u>	<u>4724811</u>	<u>26,544,449</u>
TOTAL		<u>54,577,332</u>		<u>50,204,536</u>

NOTE-4 : SHARE APPLICATION MONEY PENDING ALLOTMENT :

I) Nil	_____	_____
TOTAL	_____	_____

NOTE-5 : LONG TERM BORROWINGS :

	As at 31st March, 2016		As at 31st March, 2015	
	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	<u>652,591</u>	<u>726,265</u>	<u>1,138,086</u>	<u>1,387,100</u>
	<u>652,591</u>	<u>726,265</u>	<u>1,138,086</u>	<u>1,387,100</u>
II) Unsecured Borrowings				
From related parties	-	-	4,967	-
From Others	<u>1,950,433</u>	-	<u>3,333,260</u>	-
	<u>1,950,433</u>	-	<u>3,338,227</u>	-
TOTAL	<u>2,603,024</u>	<u>726,265</u>	<u>4,476,313</u>	<u>1,387,100</u>

Notes :

Rupee Term Loans from non banking financial institution is :-

- (a) Secured by first charge on hypothecation of five cars owned by the company.
- (b) Rate of interest is 5.75% of outstanding principal amount, repayable monthly installment of Rs. 17,910 (agreement no. CF6882438) Rs. 29,000 (agreement no. CF8224477) & Rs. 25,740 (agreement no. CF 6926179) Rs. 21,412 (CF9454470) and Rs. 19,089 (agreement no. CF10451052) are given against car loan.

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-6 : DEFERRED TAX LIABILITY (NET) :		
Deferred tax liabilities :		
i) On account of differences in written down value of fixed assets	12,541,330	12,790,788
Deferred tax Assets :		
i) On account of timing difference of expenses which are allowable under Income Tax laws in subsequent years	216,574	-
TOTAL	<u>12,324,756</u>	<u>12,790,788</u>

NOTE-7 : LONG TERM PROVISIONS :

Provision of employee benefit

i) Provision for Gratuity	206,775	206,775
TOTAL	<u>206,775</u>	<u>206,775</u>

NOTE-8 : SHORT TERM BORROWINGS :

A. Secured :

i) Loan repayable on demand from banks

Cash Credit from SBI	6,891,512	19,957,671
SBI-FCNRB (USD) Loan	56,651,875	53,744,688

ii) Loan repayable on demand from other parties

-	-
---	---

B. Unsecured :

Other Loans & Advances from Bank

-	-
---	---

Other Loans & Advances from related parties

-	-
---	---

TOTAL	<u>63,543,387</u>	<u>73,702,359</u>
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Note : 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.

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*Notes annexed to and forming part of Accounts as at 31.03.2016***NOTE-9 : TRADE PAYABLES & OTHER CURRENT LIABILITIES :**

	As at 31st March, 2016		As at 31st March, 2015	
	Non-Current Portion	Current Maturities	Non-Current Portion	Current Maturities
Trade Payables				
Raw Materials	-	25,763,769		14,124,720
Others :	-	1,585,218		5,810,086
	-	27,348,987	-	19,934,806
Other Current Liabilities :				
Current maturity of long term borrowing		726,265		1,387,100
Interest accrued but not due on borrowings		-		-
Interest accrued and due on borrowings		1,729,479		1,857,409
Advance from Customers		8,109,923		36,918,458
Others :				
Statutory dues Payable	-	4,600,378	-	4,361,903
Other current liability	-	20,923,692	-	545,297
Creditors for Capital Expenditure	-	206,244	-	368,318
Provision for expenses	-	984,632	-	1,351,392
Imprest account of staff	-	37,802	-	7,552
TOTAL	-	37,318,415	-	46,797,429

NOTE-10 : SHORT TERM PROVISIONS :

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
i) Provision for Bonus	-	-
ii) Provision for Leave encashment	88,479	164,321
iii) Provision for tax	-	-
TOTAL	88,479	164,321

NOTE - II : FIXED ASSETS AS AT 31.03.2016

Particulars of Assets	COST Rs.			DEPRECIATION/AMORTISATION Rs.			NET BLOCK Rs.		
	Rate of Dep.	Gross Block As on 01.04.2015	Additions	Deduction	Transfer W. Out	As on 01.04.2015	For the Year	As at 31.03.2016	As at 31.03.2016
Lease Hold Land		1,767,182	-	-	-	392,017	17,632	1,375,165	1,375,165
Free Hold Land		4,936,113	-	-	-	-	-	4,936,113	4,936,113
Building		84,102,955	-	-	-	47,293,861	2,432,808	34,377,085	36,309,894
Building (Agglo)		1,321,990	-	-	-	240,220	41,390	1,040,381	1,081,770
Plant & Machinery		185,829,103	312,598	165,000	17,433,180	151,779,693	2,831,336	28,595,538	34,050,010
Furniture		6,050,147	-	-	-	5,719,901	10,599	216,586	330,106
Vehicles		11,480,625	-	-	-	669,487	77,891	4,014,246	4,789,138
Office Equipments		4,720,416	89,750	-	-	4,115,094	160,190	534,933	605,375
Computer		5,448,762	112,500	-	-	5,382,313	61,354	117,694	66,549
Technical Know How		240,000	-	-	-	-	-	240,000	240,000
Brands / Trademark		3,500,000	-	-	-	3,500,000	-	-	-
Total		309,397,294	514,848	165,000	17,433,180	225,113,093	6,413,283	75,450,109	84,284,197
P. Ye. 2014-15		(311,823,754)	(4,331,138)	(5,653,310)	(1,104,288)	(203,995,564)	(8,574,960)	(84,284,197)	(197,828,189)

NOTE:

- Plant & Machinery contains CABS Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 757779 and 1 year respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 7 years. Therefore, depreciation has been calculated on the basis of the certificate so received.
- Plant & Machinery contains Spray Dryer Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 2808244 and 1.78 years respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 8 years. Therefore, depreciation has been calculated on the basis of the certificate so received.
- Plant & Machinery contains Detergent Plant whose WDV and remaining life as per Part C of Schedule II of Companies Act, 2013 (as on 31.03.2015) is 5643518 and 9.68 year respectively. However, Valuation Certificate received from the valuer indicates that remaining life of the plant is 14 years. Therefore, depreciation has been calculated on the basis of the certificate so received.

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*Notes annexed to and forming part of Accounts as at 31.03.2016***NOTE-12 : INVESTMENTS :**

	As at 31st March, 2016		As at 31st March, 2015	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
Unquoted Investments		6,500,000		6,500,000
(Cost of unquoted 650000 equity shares of Rs. 10 each in Standard Organo Chemicals Pvt. Ltd. (an associate company))				
Add : Share of Post Acquisition Profit of associate for the period 2013-14		51,200		51,200
Add : Share of results of Associates for previous year		122,909		-
Add : Share of results of Associates for the current year		24,641		122,909
TOTAL		<u>6,698,750</u>		<u>6,674,109</u>

NOTE-13 : LONG AND SHORT TERM LOANS & ADVANCES :

(Unsecured considered good unless otherwise stated)

Capital Advances	4,076,107	-	4,147,249	-
Security deposits	3,896,808	5,780,120	3,491,522	6,580,206
Loans & Advances to related parties	-	48,944	-	48,944
Other Loans and Advances :				
Advance to Supplier	-	5,891,841	-	33,237,987
Advance to Others	-	17,476,607	-	19,968,623
Advance to Staff	-	776,954	-	742,410
TOTAL	<u>7,972,915</u>	<u>29,974,466</u>	<u>7,638,771</u>	<u>60,578,170</u>

NOTE-14 : INVENTORIES :

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Stock in trade	14,822,363	15,335,950
Goods in transit	11,200,000	1,674,117
Finished Goods	4,874,924	2,421,163
Work in Progress	-	179,130
Raw Material	2,400,772	5,478,566
Stores, Spare Parts and Tools	1,650,683	1,715,532
FO, HSD & wood	570,250	579,405
TOTAL	<u>35,518,994</u>	<u>27,383,862</u>

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-15 : TRADE RECEIVABLES :		
(Unsecured considered good unless otherwise stated)		
a) Outstanding for a Period Exceeding Six Months from the date they are due for payment:	1,668,715	2,675,704
b) Other receivables	77,407,529	65,536,772
TOTAL	<u>79,076,245</u>	<u>68,212,476</u>

NOTE-16 : CASH & BANK BALANCES :

I) Cash and cash equivalents

Balance with Banks:		
On Current Account	1,348,570	2,568,479
Deposit with original maturity of less than 3 months	-	-
Cash in Hand	7,040,931	4,387,084
Cheques & Drafts in Hand	-	-

II) Other Bank Balances:(Fixed Deposit)

Deposits pledged against margin money/guarantee	3,385,000	315,469
Deposits with original maturity more than 3 months but upto 12 months	64,102	58,888
Deposits with original maturity more than 12 months	5,562,502	5,158,957
Accrued interest on Fixed Deposits	94,531	50,655
TOTAL	<u>17,495,636</u>	<u>12,539,532</u>

NOTE-17 : OTHER NON CURRENT AND CURRENT ASSETS :

(Unsecured considered good unless otherwise stated)

	As at 31st March, 2016		As at 31st March, 2015	
	Non-current Portion	Current Maturities	Non-current Portion	Current Maturities
Others :				
Interest receivable	-	1,906	-	961
Deposits(Govt.)	-	3,426,243	-	1,957,347
Prepaid expenses	-	1,344,976	-	1,918,857
Balance with Excise Dept	-	3,465,353	-	2,149,654
Income tax payments	-	4,977,784	-	4,823,215
Insurance Claim Receivable	-	963,245	-	963,245
Assets held for disposal	-	2,770,733	-	-
MAT credit entitlement	-	-	-	279,131
TOTAL	<u>-</u>	<u>16,950,241</u>	<u>-</u>	<u>12,092,410</u>

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CIN: L24243UP1989PLC010950

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016		As at 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
NOTE-18 : CONTINGENT LIABILITIES & COMMITMENTS:				
Contingent Liabilities :				
Claims against the Company not acknowledged as debts		-		-
Other Contingent Liabilities				
In respect of disputed Excise duty demand		695,000		1,725,000
In respect of disputed Service Tax demand		-		-
In respect of disputed Sales/trade Tax demand		2,968,000		2,901,000
In respect of disputed Entry Tax demand		157,000		-

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-19 : REVENUE FROM OPERATIONS :

Sales				
Sale of finished products	407,886,705		482,233,992	
Job work charges	125,738,876		205,661,788	
Less : Excise Duty	(110,694,283)		(174,763,224)	
Sale of other materials	249,892		381,072	
Rental income	6,000,000	429,181,190	534,000	518,853,628
Other Operating Revenue				
Commission received	6,733,484		9,650,237	
Sale of scrap & waste	-		375,265	
Freight recovered	-		30,000	
Compensation of wet material	-		24,000	
Rate difference	1,821,000		6,300	
Discount	1,067,177		209,653	
Early payment incentive	179,378		199,657	
Balance Written back	2,366,721	12,167,760	-	4,420,207
TOTAL		441,348,950		533,768,947

NOTE-20 : OTHER INCOME :

Profit on sale of assets		-		3,400
Late payment charges		-		34,806
Interest Received		6,160,242		1,717,011
Insurance claim Received		-		251,233
Income (other)		1,692,368		768,089
TOTAL		7,852,610		2,774,539

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-21 : PURCHASE OF STOCK IN TRADE :		
Finished Products	289,646,750	340,275,589
TOTAL	<u>289,646,750</u>	<u>340,275,589</u>
NOTE-22 : CHANGES IN INVENTORIES :		
Finished Goods	19,697,288	17,757,113
Work-in-Progress	-	-
Raw materials	-	-
TOTAL	<u>19,697,288</u>	<u>17,757,113</u>
At the Beginning of the Period :		
Finished Goods	17,757,113	22,536,978
Work-in-Progress	-	-
Raw materials	-	-
TOTAL	<u>17,757,113</u>	<u>22,536,978</u>
	<u>(1,940,175)</u>	<u>4,779,865</u>
NOTE-23 : EMPLOYEE BENEFITS EXPENSES :		
Salary and Wages & Bonus	13,279,084	12,261,674
Staff Welfare Expenses	536,154	812,943
Gratuity	-	83,340
Contribution to Provident & Other Fund	903,588	911,374
TOTAL	<u>14,718,826</u>	<u>14,069,331</u>
NOTE-24 : FINANCE COSTS :		
Interest Expenses	8,611,327	8,418,153
Bank guarantee charges	516,783	874,967
Bank Charges	1,594,658	1,059,719
Forward contract premium (dollar)	3,963,907	4,944,187
TOTAL	<u>14,686,675</u>	<u>15,297,026</u>

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Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-25 : OTHER EXPENSES :		
Audit expenses	12,577	20,635
Freight	4,341,866	4,751,044
Power and fuel	15,591,109	18,852,382
Depot Expenses	168,168	279,949
Taxes on Sale	2,492,857	3,333,860
Discount	176,292	-
Repairs and Maintenance	2,529,156	3,128,525
Travelling & Conveyance Expenses	2,690,452	2,675,380
Insurance	875,674	1,136,673
Interest payment	305,921	616,461
Material Handling	39,810	59,460
Miscellaneous expenses	1,521,197	2,254,130
Postage and telephone	1,153,932	1,027,301
Printing & Stationery	381,323	304,855
Rent, taxes, legal & professional expenses	2,340,112	2,854,120
Office exps	16,495	15,610
Prior Period Expenses	43,148	90,114
Packaging & Processing	869,204	1,070,891
Security exp	494,275	540,000
Cash Shortage	50,000	-
Service tax paid	494,335	481,695
Sales tax demand	50,086	429,759
Business development expenses	275,138	351,045
Professional (Including audit fees)	259,500	443,631
Vehicle running & maintenance	1,722,958	1,998,730
Loss on sale of assets	-	1,103,037
Entertainment expenses	-	4,000
Laboratory charges	189,658	250,885
Water charges	254,743	248,815
Excise Duty on op. & cl stock	235,043	(1,794,437)
Donation and subscription	50,640	54,951
Bad debt & balance written off	58,621	721,011
Entry Tax Demand	47,290	-
Clearing charges	402,000	-
TOTAL	40,133,580	47,304,512

TWENTY SEVENTH ANNUAL REPORT

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-26 : EARNINGS PER EQUITY SHARES :		
I) Net Profit after Tax Attributable to Equity Shareholders for Basic EPS	4,372,796	4,724,811
Add : Adjustment relating to Potential Equity Shares	-	-
Net Profit after Tax Attributable to Equity Shareholders for Diluted EPS	4,372,796	4,724,811
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		
Diluted EPS	0.61	0.64
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 Shares used for Calculating Diluted EPS	<u>7,147,600</u>	<u>7,147,600</u>
NOTE-27 : PAYMENT TO AUDITOR :		
a) Payment to Auditors		
Audit Fees	170,000	140,000
Reimbursement of Expenses including service tax	38,077	40,235
Income tax appeal fees	-	-
	<u>208,077</u>	<u>180,235</u>
NOTE-28 : EARNINGS IN FOREIGN CURRENCY :		
a) Earning in Foreign Currency	-	-
NOTE-29 : EXPENDITURE IN FOREIGN CURRENCY :		
a) Expenditure in Foreign Currency		
Machinery	-	-
Interest	3,963,907	4,944,187
Raw material	64,005,287	149,395

Notes annexed to and forming part of Accounts as at 31.03.2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
NOTE-30 : PRIOR PERIOD ITEMS :		
Prior Period income		
Misc. Income	-	-
Incentive and Commission	-	-
	<u>-</u>	<u>-</u>
Prior Period Expenses		
Salary & Wages	-	-
Other Expenses	43,148	90,114
Interest	-	-
Professional Fees	-	-
	<u>43,148</u>	<u>90,114</u>
Net	<u>43,148</u>	<u>(90,114)</u>

NOTE-31 : 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. Ankur Garg, Whole Time Director
- (iv) Mr. Aditya Garg
- (v) Mr. Kunal Garg

II) Person having significant influence over the enterprises :

- (i) M/s Standard Sulphonators (P) Ltd.
- (ii) M/s Kashi Prasad Roop Kishore
- (iii) M/s Standard Ventures Ltd.
- (iv) M/s Sudhir Kumar Gautam Kumar
- (v) M/s Standard Ganpati Merchandise (P) Ltd.
- (vi) M/s Navsheel Standard Constructions Pvt. Ltd.
- (vii) M/s Standard Organo Chemicals Pvt. Ltd.
- (viii) M/s Icon Developers

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Notes annexed to and forming part of Accounts as at 31.03.2016

II) Details of transactions between the Company and Related Parties :

Nature of Transactions	(Rs. in lacs)			
	2015-16		2014-15	
	KMP	Enterprises	KMP	Enterprises
Sale of goods	-	322.28	-	465.28
Sale of Machinery	-	2.44	-	-
Interest Expenses	-	-	-	0.04
Advance/Loan given	-	-	30.64	560.24
Refund of Advance/Loan	-	-	30.89	652.10
Loan received	75.00	727.16	2.88	451.05
Loan Repaid	75.00	727.16	2.88	551.56
Expenses-Salary	24.00	-	21.60	-
Purchase of Goods	-	341.11	-	660.60
Sitting Fees	1.06	-	-	-
Expenses-other	1.08	5.40	10.39	6.00
Commission received	-	2.14	-	-
Interest Received	-	1.98	-	-
Balance Outstanding				
Amount Receivables	-	2.47	-	0.49
Amount Payables	-	24.24	-	74.47
Security Deposits	-	-	-	70.00

NOTE-32 : ADVANCE & SUNDRY DEBTORS INCLUDE :

	(Rs. in lacs)	
	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
(a) Due from directors	-	-
(b) Due from Pvt. Ltd. Co. & firms in which directors are interested	2.47	0.49

33. 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.

34. In the view of Management

- 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 than or equal to the value stated in the accounts.
- The realizable value of all current assets, in the normal course of business, is not less than the value stated in the balance sheet.

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

STANDARD SURFACTANTS LTD.

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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 speciality chemicals in detergent, personal care and pesticides industry. Others – engaged in trading and other activities.

(C) Segment Reporting

(Rs. in lakhs)

Particulars	Chemical & Surface Active Segment	Others	Unallocated	Total
Total Sales including excise duties	2,362.82 (3,428.34)	3,054.01 (3,590.22)	– –	5,416.83 (7,018.55)
Result Segment Result	130.17 (225.69)	166.06 (96.79)	– –	296.23 (322.49)
Unallocable Corporate Expenditure (Net of Income)				85.04 (100.74)
Opening Profit (PBIT)				211.19 (221.75)
Interest Expenses				146.87 (152.97)
Profit before Tax				64.32 (68.78)
Provision for Tax – including FBT				20.84 (22.76)
Profit after Tax				43.48 (46.02)
Other Information Segment Assets	802.56 (925.24)	1,376.07 (1,311.26)	510.76 (555.79)	2,689.39 (2,792.29)
Segment Liabilities	101.55 (149.79)	525.29 (477.79)	807.50 (953.15)	1,434.34 (1,580.73)
Capital Expenditure	3.63 (14.05)	0.71 (12.23)	0.81 (17.03)	5.15 (43.31)
Depreciation	40.20 (55.90)	14.46 (19.04)	9.48 (10.81)	64.13 (85.75)

Note : Figures in brackets are for previous year.

TWENTY SEVENTH ANNUAL REPORT

37. Additional information on net assets and share of profits of the company and its associate company as considered in Consolidated Financial Statements:

Name of Entity	Net Assets		Share in Profit or Loss	
	As a % of Consolidated Net Assets	Rs.	As a % of Consolidated Profit or Loss	Rs.
Parent Company	94.67%	119,004,782	99.44%	43,48,155
Associate Company				
Standard Organo Chemicals Pvt. Ltd.	5.33%	6,698,750	0.56%	24641
Total	100%	125,703,532	100%	43,72,796

38. Particulars of Associate :

Name	Relationship	% of Holding and Voting power
Standard Organo Chemicals Pvt Ltd	Associate	38.24%

39. The Previous year's figures have been reworked or regrouped and reclassified whenever necessary.

40. Notes- '1 to 39' Forms an integral part of account.

ANALYSIS OF PROFIT AS ON 31.03.2016		ANALYSIS OF PROFIT AS ON 31.03.2015	
		Reserves And Surplus As On 31-03-2014	Rs. 106333
		% Of Holding	48.15%
		Post Acquisition Profit (Retained Earning)	Rs. 51199
Profit During The Year 2015-16	Rs. 64438	Profit During The Year 2014-15	Rs. 255262
% Of Holding	38.24%	% Of Holding	48.15%
Post Acquisition Profit (Consolidated Profit/Loss A/C)	Rs. 24641	Post Acquisition Profit (Consolidated Profit/Loss A/C)	Rs. 122909

Carrying Amount of Investment As On 31.03.2016		Carrying Amount of Investment As On 31.03.2015	
Particulars	Rs.	Particulars	Rs.
Investing Entity's Share of Net Assets Of Associate As On 31/03/2014	6500000	Investing Entity's Share of Net Assets Of Associate As On 31/03/2014	6500000
Add : Post Acquisition Profit	24641	Add : Post Acquisition Profit	174108
Total	6524641	Total	6674108

As per our report of the even date attached
 For MITTAL GUPTA & COMPANY
 Chartered Accountants
 Firm Regn. No.: 01874C
Akshay Kumar Gupta
 Partner
 M. No. 70744
 Date : 03.08.2016
 Place : KANPUR

For and on behalf of the Board of Directors

Pawan Kumar Garg
 Chairman & Managing Director
 DIN No. 00250836
Atul Kumar Garg
 Whole-time Director
 DIN No. 00250868

STANDARD SURFACTANTS LIMITED

CIN: L24243UP1989PLC010950

Regd. Off. : 8/15, Arya Nagar, Kanpur-208002, U.P (INDIA)

Email: secretarial@standardsurfactants.com • Web: www.standardsurfactants.com

BALLOT/POLLING PAPER

ASSENT/DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address of the sole/first named member :
2. Name(s) of the Joint-Holder(s), if any :
3. i) Registered Folio No. :
- ii) *DP ID No. & Client ID No. :
- [Applicable to Members holding shares in dematerialized form]
4. Number of Share (s) held :
5. Class of Shares :
6. I/We hereby exercise my/ our vote in respect of the following resolutions to be passed for the business stated in the notice of the Annual General Meeting dated Friday 30th, September, 2016 by conveying my/our assent or dissent to the resolutions by placing tick (v) mark in the appropriate box below:

S. No.	Resolution	No. of Shares	I/We assent to (FOR)	I/We dissent to (FOR)
	Ordinary Business			
1.	a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2016, together with the Reports of the Auditors and Board of Directors thereon; and			
	b. the Audited Consolidated Financial Statement of the Company for the financial year ended 31 st March, 2016, together with the Report of the Auditors thereon.			
2.	Appointment of a director in place of Atul Kumar Garg (DIN no. 250868), who retires by rotation and being eligible, offers himself for re-appointment.			
3.	Appointment of M/s Mittal Gupta & Co., Chartered Accountants (Firm Reg. No.01874C), Kanpur as Statutory Auditors of the Company and to fix their remuneration.			

Place : Kanpur

Date : 03.08.2016

Signature of the Member

or

Authorized Representative

Notes :

- I. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- II. Last date for receipt of Assent /Dissent Form by the Scrutinizer : September, 26th 2016 (5:00 pm).
- III. Please read the instructions printed overleaf carefully before exercising your vote.

(Tear here)

STANDARD SURFACTANTS LIMITED

CIN No. L24243UP1989PLC010950

INSTRUCTIONS

General Instructions

1. As per the Companies Act 2013, Company has to provide e voting facility to its shareholders; however the shareholders, who do not have access to e -voting facility may convey their assent/ Dissent in physical Assent/Dissent Form. However, in case Shareholders cast their vote through both physical assent/dissent form & e-voting, then vote casted through e -voting shall be considered, and vote casted through physical Assent/ Dissent shall be treated as invalid.
2. The notice of Annual General Meeting is dispatched/ e-mailed to the members whose names appear on the register of members as on August, 19th 2016 & voting rights shall be reckoned on the paid up value of the share registered in the name of share holders as on the said date.

Instructions for voting physically on Assent/Dissent Form.

1. A member desiring to exercise vote by Assent/Dissent should complete this Assent/Dissent Form and send it in the enclosed self addressed pre-paid postage so as to reach the scrutinizer Mr. Sarvesh S. Srivastava, Practicing Company Secretary at the registered office of the company on or before 5:00 pm on September 26th 2016. All forms received after this date will be strictly treated as if the reply from such member has not been received.
2. This Form should be completed and sign by the Share holder (as per the specimen signature registered with the company/depository participants).in case of joint holding this form should be completed and signed by the first named shareholder and in his absence, by the next named share holder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the completed Assents/Dissent Form should be accompanied by a certified copy of the relevant board resolution /appropriate authorization, with the specimen signature (s) of the authorized signatory (ies) duly attested.
4. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (v) in the appropriate column in the form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form indelible ink and avoid filling it by using crasable writing medium (s) like pencil.
6. There will be one Assent/Dissent Form for every Folio/Client id respective of the number of joint holders.
7. Members are requested not to send any other paper along with the Assent /Dissent Form. They are also requested not to write anything in the Assent /Dissent form except giving their assent or dissent and putting their signature.
8. The Scrutinizer 'decision on the validity of Assent/Dissent form will be final and binding.
9. Incomplete, unsigned or incorrectly ticked Assent/Dissent Forms will be rejected.

STANDARD SURFACTANTS LIMITED

CIN: L24243UP1989PLC010950

Regd. Off. : 8/15, Arya Nagar, Kanpur-208002, U.P (INDIA)

Email:secretarial@standardsurfactants.com • Web: www.standardsurfactants.com

FORM OF PROXY

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail id	
Folio no. / Client id	
DP ID	

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name :

Address :

E-mail id :

Signature :; or failing him,

2. Name :

Address :

E-mail id :

Signature :; or failing him,

3. Name :

Address :

E-mail id :

Signature :

(Tear here)

TWENTY SEVENTH ANNUAL REPORT

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Friday the 30th September, 2016 at 11.30 A.M. at 35, Cantonment, Cariappa Road, Kanpur-208004 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolution	For	Against
1.	a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2016, together with the Reports of the Auditors and Board of Directors thereon; and		
	b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 st March, 2016, together with the Report of the Auditors thereon.		
2.	Re-appointment of Mr. Atul Kumar Garg, who retires by rotation.		
3.	Re-appointment of the Statutory Auditor and fix their remuneration		

Signed this day of 2016

Signature of the shareholder.....

Signature of the Proxy holder(s).....

Please
affix
₹ 1/-
Revenue
Stamp

Note : The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

STANDARD SURFACTANTS LIMITED

CIN: L24243UP1989PLC010950

Regd. Off. : 8/15, Arya Nagar, Kanpur-208002, U.P (INDIA)

Email:secretarial@standardsurfactants.com • Web: www.standardsurfactants.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL (Joint Shareholders may obtain additional attendance slip on request)

I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Friday the 30th September, 2016 at 11.30 A.M. at 35, Cantonment, Cariappa Road, Kanpur-208004.

NAME OF THE SHAREHOLDER : (IN BLOCK LETTERS)	NO. OF SHARES HELD
SIGNATURE OF THE SHAREHOLDER :	FOLIO NO.
NAME OF THE PROXY : (IN BLOCK LETTERS)	DP ID
SIGNATURE OF THE PROXY	Client ID

(Tear here)

STANDARD SURFACTANTS LIMITED

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Email:secretarial@standardsurfactants.com • Web: www.standardsurfactants.com

FEED BACK FORM

Registration / Updation of E-mail id :-

Name of the Shareholder	Folio Number	Updated Email ID

Signature of the Shareholder

STANDARD SURFACTANTS LTD.

8/15, ARYA NAGAR, KANPUR - 208 002 (INDIA)

Tel. : 0512-2531762 • Fax : 0512-2548585

E-mail : headoffice@standardsurfactants.com

Website : www.standardsurfactants.com

CIN No. : L24243UP1989PLC010950

19-10-2016

To
BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

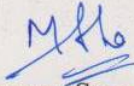
Dear Sir/ Madam,

We attached herewith Form B alongwith Annual Report for the year 2015-16 for your perusal and record.

Thanking you.

Yours faithfully,

For STANDARD SURFACTANTS LTD.



Company Secretary

Works :

- 24 A & B New Sector, Industrial Area, Mandideep, Bhopal - 462 046 (M.P.)
- Plot No. 114, Gondpur Industrial Area, Paonta Sahib, (H.P.)

FORM B

Pursuant to Regulation 33(3) (d) of SEBI (LODR) Regulations, 2015

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

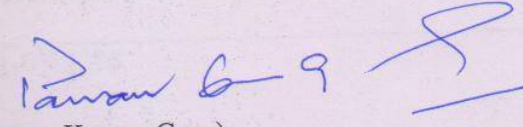
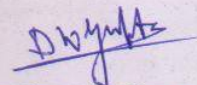

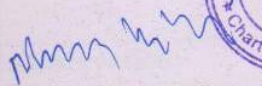
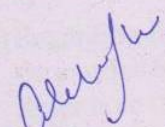
1	Name of the Company	STANDARD SURFACTANTS LMITIED
2	Annual Financial Statement for the year ended	31-03-2016
3	Type of Audit observation	Qualified
4	Frequency of observation	<p>(A) Repetitive in respect of observation (i) as state in item 5 below from the financial year ended on 31st March, 2010.</p> <p>(B) Repetitive in respect of observation (ii) as stated in item 5 below from the financial year ended on 31st March, 2010.</p>
5	Draw attention to relevant notes in the Annual financial statement and management response to the qualification in the Director Report.	<p>Observation:-</p> <p>(A) Regarding non provision of retirement benefits. Refer to note (i) of the Annual Report (Page 32 of Annual Report)</p> <p>(B) Regarding balance confirmation with various parties. Refer note (ii) of Annual Report (Page 33 of the Annual Report)</p> <p>Management Response:-</p> <p>Refer Director's Report. (Page 6 of Annual Report)</p>
6	Additional comments from the Board Audit Committee Chairman	<p>(i) As per disclosures made in the Annual Report.</p> <p>(ii) As per disclosures made in the Annual Report.</p> <p>Management confirmed that parties balance are recovered in subsequent years.</p>



FORM B

Pursuant to Regulation 33(3) (d) of SEBI (LODR) Regulations, 2015

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

7	To be signed by:- ➤ Chairman and Managing Director	 (Pawan Kumar Garg)
	➤ CFO	 (Dhirender Kumar Gupta)
	➤ 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	 (Abhishek Mehrotra)

Date: 18.10.2016

Place: Kanpur

