

## **Notice of the Annual General Meeting (AGM)**

Notice is hereby given that the 22<sup>nd</sup> (Twenty Second) Annual General Meeting (AGM) of the Members of the **Sand Plast (India) Limited** will be held on Friday, 30<sup>th</sup> September, 2011 at 11.00 A.M. at the Registered Office of the Company at National Highway No.8, Village Goonti, Tehsil Behror, Dist. Alwar, Rajasthan to transact the following business:-

### **AS ORDINARY BUSINESS**

1. To receive, consider & adopt the audited balance sheet as at 31<sup>st</sup> March, 2011 and Profit & loss account for that period together with Director's Report and Auditor's Report thereon.
2. To appoint a director in place of Mr. Suresh Pukhraj Jain who retire by rotation and offer himself for re-appointment.
3. To appoint the Statutory Auditors of the Company who shall hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary Resolution:

“**RESOLVED THAT** M/s D. Khanna & Associates, Chartered Accountants, G-6, Royal Sundaram. Plot No-1 Vivekanand Marg, C-Scheme, Jaipur-Alwar (Rajasthan), Chartered Accounts, the retiring Statutory Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remunerations as may be fixed by the Board of directors of the Company.”

**By order of the Board of  
Sand Plast (India) Limited**

**Sd/-  
Rajesh Gupta  
Managing Director**

**Date: 30<sup>th</sup> May, 2011**

**Place: Mumbai**

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER.
2. A proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting in default whereof the instrument shall not be treated as valid.
3. Members are requested to notify immediately any change/correction in their address including PINCODE to the Company or to the Registrar and Share Transfer Agent of the Company namely **RCMC Share Registry Private Limited**, Noida, Phones: 0120-4015880 quoting reference of the Registered Folio Numbers.
4. Shareholders holding shares in the same name or in the same order of names but in several folios are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holding in one single folio.
5. Any member desirous of obtaining any information/clarification on the enclosed Accounts should submit the query in writing at the Registered Office of the Company at least 10 days before the date of the Meeting.
6. Members/Proxies should bring attendance slips duly filled in for attending the Meeting.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 29<sup>th</sup> September, 2011 to Friday, 30<sup>th</sup> September, 2011(both days inclusive).
8. Members/Proxies are requested to bring their copies of Annual Report with them to the Meeting, as the same will not be supplied again at the Meeting as a measure of economy.

**By order of the Board of  
Sand Plast (India) Limited**

**Sd/-  
Rajesh Gupta  
Managing Director**

**Date: 30<sup>th</sup> May, 2011**

**Place: Mumbai**

**DIRECTOR'S REPORT****Dear Shareholders,**

The Directors are pleased to present the 22 (Twenty Second) Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March' 2011

<b>Operating Results</b>	<b>(Rupees in Lacs)</b>	
	<b>Current year</b>	<b>Previous year</b>
Total Income	288.44	1935.50
Total Expenses	675.16	969.99
Less: Prior Period Expenses	0.00	3.05
Less: Misc. Exp written Off	0.00	0.00
Less: Provision for FBT	0.00	0.00
<b>Profit / (Loss) carried to Balance Sheet</b>	<b>(386.72)</b>	<b>962.46</b>

**Performance and Operational Review**

The Board informs to you that the performance of your Company was not satisfactory during the financial year even though settlement of production level, working out of logistics with respect to movement of finished products from factory, arrangement of raw materials etc. was satisfactory in comparison to previous financial year. The staff and workers put their sincere effort in the operation of the plant and achieving efficiency in the production level.

During the year, the company has Achieved a sales turnover of Rs. 286.46 Lacs as compared to Rs. 551.16 Lacs in the previous year ended 31<sup>st</sup> March, 2010. The Company has earned income of Rs. 288.44 Lacs in comparison to income of Rs 1935.50 Lacs during the previous financial year.

**Trading in the equity shares of the Company at BSE**

We are very pleased to inform you that from the date of re-listing of equity shares of the Company with the Bombay Stock Exchanges (w.e.f June, 2009), the equity shares of the Company are regaining its trading volume day by day on the bourses with the strenuous and fruitful efforts of the Board of Directors and management of the Company. This has provided an extra platform to the proposed investors to invest in the Company and the existing investor more liquidity for entry and exit route in the Company.

**Future Plans**

The Company is hopeful of creating a niche for similar projects and from the projects manufactured by it with a higher price fixation for its good quality products and hopes that it would bear the fruits of its efforts over the past two decades in near future. Your company's unit at New Delhi is pollution free and is a unit likely to save carbon emissions to the atmosphere *vis-à-vis* traditional brick kilns.

**Dividend**

The Board of Director does not recommend any dividend for the financial Year 2010-2011.

**Deposit**

During the year the Company has not accepted or invited any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

**Information about Energy Conservation, Technology Absorption and Research & Development and Foreign Exchange earning and outgo**

**(A) Energy Conservation :**

- a) Energy conservation measure taken by the Company:-
  - I. To optimize steam transfer of autoclaves for pre-heating purpose.
  - II. To control spillage of green mix and reuse it before getting it dried, so that it can be used without adding extra inputs.
  - III. By using certain anti-scaling and anti anti-deoxidizing chemicals for boiler feed water to enhance boiler thermal efficiency.
  - IV. Resetting of factory shed sheeting in lime area to utilize natural flow of wind efficiency to reduce number of exhaust fans.
  
- b) Additional investment/proposal being implemented for reduction of consumption.
  - i. Second line of steam transfer within the autoclave has been started.
  - ii. To ensure proper insulation on all the autoclaves and boilers as well.
  - iii. Using of CFLs in place of Halogen lights in plant areas.
  - iv. To utilize broken bricks (waste) powder as a raw material for in house use or for other fly ash based industries.
  
- c) Impact of measures as mentioned above in consumption of energy and on the cost of production of goods.

Saving in energy consumption and waste material utilization will reduce the production cost of the Company and would also help a bit against global warming.

**(B) Technology absorption and Research & Development.**

With its established in-house research & Development, Sand Plast has built its reputation with customers, government authorities, national & international market and in the society by utilizing up to 90% of fly ash in the manufacturing of high quality bricks of strength 100 kg per sq. cm and above.

- a) Specific area in which research and development carried out by the Company
  - I. To make utilization of broken bricks (waste) power as a raw material for in house use or for other fly ash based industries.
  - II. Stabilizations of different raw material composition to get better and economical product.
- b) Benefit derived as result of above efforts :

The Research and Development works for the above are at the preliminary stage only but the Company is very hopeful to get the favourable results

- (c) Future course of action

Work on above assumptions at different level and to get success and to prove globally that Sand Plast India Limited is the pioneer in the field of ash utilization.

**(C) Foreign Exchange earning and outgo**

The company has not spent any foreign exchange outgo during the financial year. There were no foreign exchange incoming during the financial year.

**Particulars of Employees**

There were no employees drawing remuneration in excess of limits prescribed under Section 217 (2a).

**Director's Responsibility Statement as per Section 217 (2AA) of the Companies Act, 1956**

Pursuant to the requirement under section 217 (2AA) of the Companies Act'1956 with respect to director's responsibility statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March' 2011, the applicable accounting standards have been followed.
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss, to be read with notes on accounts, of the company for the year under review.
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act' 1956 for safeguard of the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors have prepared the accounts for the financial year ended 31<sup>st</sup> March' 2011 on a "going concern" basis.

**Board of Directors**

At the AGM held on 30<sup>th</sup> September, 2010 as a result of retirement by rotation, Mr. Shivcharan Manikrao Parvatkar who retired by rotation and offered himself for re-appointment, as the independent-director of the Company in the said AGM. Further, in accordance with the Articles of Association of the Company, Mr. Suresh Pukhraj Jain, being longest in the office retires from office by rotation in the ensuing AGM and being eligible, offer himself for re-appointment.

**Director's observation on Audit Report**

With reference to Point no. (vi) (a) of Auditor's Report regarding rescheduled amount of secured creditors in the light of submitted Modified Draft Rehabilitation Scheme (MDRS) with the BIFR. The Board of Directors clarify that the management is positive on the approval of MDRS and more specially on one time settlement proposal with both secured creditors namely HUDCO & PNB on the basis of equality and taking same guideline/norms followed by the same secured creditors in the case of another sick company namely M/s Punjab Wool combers Limited, registered with BIFR under reference no. 341/2001, in which case the same secured creditors has settled their dues much below of their principal outstanding.

**Auditors**

M/s D Khanna & Associates, Statutory Auditors of the company shall hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received intimation to this effect that their re-appointment, if made, would be within the prescribed limits of Section 224 (1) of the Companies Act, 1956.

**Management Discussions and Analysis**

The Company has, over the years, relentlessly strived to achieve leadership position in its field of business. It has been successful in developing its own technical know-how including designing and development of plant & machinery. It has further

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**SAND PLAST (INDIA) LIMITED**

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been able to achieve use of fly ash including bottom ash and pond ash up to 90% in manufacturing of high quality bricks of the strength of 100 kg per sq. cm and above. The Hon'ble Supreme Court, through its judgment a few years back, has directed that the traditional brick manufactures using brick kilns to use 25% of the fly ash, as the raw material for the purpose of making bricks within the National Capital Territory of Delhi and had suggested adoption of technology "fly ash sand lime bricks", the one pioneered by your Company. The Govt. of India's Notification has further made it obligatory for users to specify fly ash products and has made it mandatory for thermal power plants to utilize 100% of ash generated by them over the years.

Your company's effort has accordingly been proved useful in the light of apex court's directive and also from the point of view of directions of Govt. of India. Further the real estate business in NCR and other part of the country is now growing up therefore directors are hopeful that it will bring the opportunity to the Company since the Company produces the flyash bricks which is one of the main component for the construction industry and real estate business. Further the Company fully organized although the sector of the product is totally un-organized like other traditional brick manufacturer. The product of the Company is also environment friendly and reduces the pollution therefore the Company has also applied to CDM Executive Board for availing carbon credit and same is pending with authorities. Further the Company is also in discussion with the NTPC Badarpur for establishing a plant for manufacturing of flyash bricks. However there are also certain other constraints attached with the Company like the plant is situated in NCT of Delhi where there are some difficulties are associated for transportation of finished goods and raw materials.

However the management of the Company is hopeful that the performance of the Company will improve in near future.

**Corporate Governance – Clause 49 of the Listing Agreement**

The report on Corporate Governance along with the Auditor's Report on its compliance as per clause 49 of the Listing Agreement is attached herewith as Annexure-I.

**Industrial Relation**

Your company has taken significant step in developing human resource and strengthening human resource systems. During the year under review, industrial relation in the company continues to be cordial and peaceful.

**Acknowledgement**

Your Directors wish to convey their appreciation to all suppliers, promoters, lenders and governments for their invaluable supports and look forward to continued supports in future. The Board of Directors thanks to the appreciation of employees at all the levels for their hard work, dedication and commitment which enable the company make progress ahead.

**For and on behalf of the Board of Directors**

**Sd/-  
S.M. Parvatkar  
Director**

**Sd/-  
Rajesh Gupta  
Managing Director**

**Place: Mumbai**

**Dated: 30<sup>th</sup> May, 2011**

**ANNEXURE- I: REPORT ON CORPORATE GOVERNANCE**

In the present rapidly changing business scenario, good Corporate Governance helps in accomplishing long term Corporate Goals to increase the Stakeholders' value. The Corporate Governance focuses on commitment to values adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the Corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the sound Corporate Governance.

**Philosophy of the Company on Corporate Governance**

The company believes that the good and effective Corporate Governance lies in managing the business in a transparent manner, sharing the information with the shareholders and keeping overheads restricted.

The directors (other than managing director) are being credited sitting fee of Rs.1,500/- per meeting.

The company has not given loans to directors. Accounts give adequate disclosure of transaction in which directors have been interested.

The Company has if fully compliant with all the requirement of the listing agreement of the stock exchanges. The details of the Compliances are as follows:

**1. BOARD OF DIRECTORS****Composition of the Board**

The Board of your Company consists of 4 (Four) Directors as on 31<sup>st</sup> March, 2011 comprising a Non Executive Chairman, Managing Director and 2 (Two) Independent Director with considerable experience in their respective field. The Board is headed by a non executive Chairman and the number of independent Director is half of the total number of Board thus the composition of the Board is in respect of conformity of the clause 49 of the listing agreement entered with the stock exchange.

The composition of the Board of Director as on March 31, 2011 is as follow:

Dr. Ram S Garg	:	Chairman & Non-executive Director
Mr. Rajesh Gupta	:	Managing Director
Mr. Shivcharan Manikrao Parvatkar	:	Independent Non-executive Director
Mr. Suresh Pukhraj Jain	:	Independent Non-executive Director

**Meeting of the Board of Directors**

During the year, 5 (Five) meetings of the Board of Directors were held as per the minimum requirement of 4 (Four) meetings required under the Listing Agreement. The Board meetings were held on 19<sup>th</sup> April, 2010, 28<sup>th</sup> May, 2010, 30<sup>th</sup> July, 2010, 13<sup>th</sup> November, 2010 and 03<sup>rd</sup> February, 2011. None of the members of the Board were a member of more than 10 committee nor was the chairman of more than five committee across all companies where he was a director.

The Attendance record of the directors for meetings held during the financial year ended 31<sup>st</sup> March, 2011 is as under:

Name of Director	Position	Category	Board Meetings Attended	Whether Attended last AGM
Dr. Ram S. Garg	Promoter	Non-executive	0	No
Mr. Rajesh Gupta	Promoter	Executive	5	Yes
Mr. Shivcharan Manikrao Parvatar	Independent	Non-executive	5	No
Mr. Suresh Pukhraj Jain	Independent	Non-executive	5	No

**CODE OF CONDUCT**

The Board of Directors play an important role in ensuring good corporate governance and have laid down code of conduct for all the Board of Directors and senior level management of the Company. All the Board members and senior management confirmed compliance to the code of conduct. A declaration signed by the Managing Director regarding affirmation of the Compliances with the code of conduct by the Board senior management of the company is appended to end to this report.

**2. COMMITTEES OF THE BOARD OF DIRECTORS****(i) Audit Committee**

The Audit Committee of the Company is duly constituted comprising 2 Independent non-executive directors and Managing Director of the Company. The Members of Audit Committee are Mr. Shivcharan Manikrao Parvatkar, Chairman (Having Financial and accounting knowledge), Mr. Rajesh Gupta, Member and Mr. Suresh Pukhraj Jain (admitted as the member of the Committee). The Constitution of the audit committee also fulfills the requirement of section 292A of the Companies Act, 1956. 4 (Four) Meeting of the Audit Committee was held during the financial year 2010-2011.

**(ii) Shareholders/Investor grievances committee**

The Board of Directors of the company has a duly constituted Shareholders/Investors grievances committee consisting of Mr. Shivcharan Manikrao Parvatkar, Chairman, Mr. Rajesh Gupta, Member and Mr. Suresh Pukhraj Jain, Member. The Company takes care and looks into investor complaints and also reviews the performance of Registrar and share transfer agent of the company and suggest the measures for overall improvement. However the power to transfer the shares has been delegated to the RTA of the Company. 4 (Four) Meeting of the Investor grievance committee was held during the financial year 2010-2011.

**(iii) Remuneration Committee**

The Board of Directors of the Company has constituted a Remuneration Committee of Board w.e.f. 3rd September, 2009 comprising of Mr. Shivcharan Manikrao Parvatkar, Chairman, Mr. Suresh Pukhraj Jain, Member and Mr. Rajesh Gupta, Member. The remuneration committee reviews and decide the remuneration to be paid to the Directors of the Company. 1 (one) meeting of the remuneration committee was during financial year.

**COMPLIANCE OFFICER**

Mr. Rajesh Gupta, Managing Director of the Company, is also acting as the Compliance Officer. The Compliance Officer may be contacted at:

DVB Ash Pond  
Adjacent to Nagla Machi CNG Station  
Ring Road, New Delhi-110002  
Ph. 91-11-23370267  
E- Mail spilindia@gmail.com, investors@sandplastindia.com

**3. SUBSIDIARY COMPANY**

The Company is not having any subsidiary company either in India or outside India.



**4. DISCLOSURES**

**a) Disclosures of accounting treatment**

There is no deviation in the following treat prescribed in any accounting standard in preparation of financial statements of the Company during the year.

**b) Detail of Non Compliance with regard to the Capital Market**

The Company has complied all the requirement of the stock exchange as well regulation and guidelines prescribed by Securities and Exchange Board of India. There was no penalty imposed by Stock Exchange, SEBI and any other statutory authority on any matter related to capital market.

**c) Board disclosure – Risk Management**

The Company has an integrated approach to managing the risk inherent in the various aspect of the business. The Audit Committee of the Board is regularly informed about business risk and step taken to mitigate same.

**d) Remuneration of Directors**

**Remuneration to Executive Directors during the financial year ending on 31<sup>st</sup> March, 2011.**

Name of Director	Relationship with other Directors if any	Business Relations with the Company	Remuneration during 2010-11 (All element of remuneration package) in Rs.
Rajesh Gupta	—	Managing Director	Rs.18 Lacs

**ii) Remuneration to Non – Executive Directors**

The Directors (other than Managing Director) are not paid any remuneration. However they are being credited only with sitting fees of Rs.1500 per meeting along with traveling expenses.

**iii) Details of Shareholding of Directors are as follows**

S. No.	Name of Director	No of equity shares held
1.	Dr. Ram S. Garg	12,789,912 jointly as first holder with Rajesh Gupta
2.	Mr. Rajesh Gupta	12789912 jointly as second holder with Dr. Ram S. Garg
3.	Mr. Shivcharan Manikrau Parvatkar	Nil
4.	Mr. Suresh Pukhraj Jain	167405

**5. MANAGEMENT**

A detailed Management Discussion and Analysis forms part of the Director's Report.

**6. SHAREHOLDERS**

**i) Disclosures regarding appointment or re-appointment of Directors**

The Company has provided all the details of the directors seeking appointment or re-appointment in the AGM Notice enclosed with the Director's Report.

**ii) Communication to Shareholders**

The quarterly, year to date and annual financial results are published in a national daily newspaper "The Financial Express" and a Hindi local newspaper "Danik Lokmat". Annual Report, Financial results and Shareholding pattern of the Company and other investor updates are also posted on the website of the Company at [www.sandplastindia.com](http://www.sandplastindia.com). The Annual Report are also being dispatched to all the shareholders.

**iii) General Body Meetings****(a) Annual General Meeting**

The previous 3 (Three) Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Special Resolution Passed
2009-10	National Highway No-8, Village Goonti Tehsil, Behror, Distt. Alwar, Rajasthan	30/09/2010	11 A.M.	1 (One)
2008-09	Same	28/08/2009	11 A.M.	2 (Two)
2007-08	Same	29/09/2008	11 A.M.	1 (One)

**(b) Extraordinary General Meeting(s) (EGM)**

No Extra Ordinary General Meeting(s) (EGM) during the financial 2010-11.

**iv) Passing of resolution by way of Postal Ballot**

No resolution has been passed by way of Postal Ballot by the company. Shareholders matters and investor's grievance were placed before the Board of Directors during the year.

**v) Investor Grievances**

Shareholders matter and investor's grievances were placed before the Board of Directors during the year. During the financial year 30 Complaints were received and 3 complaints was pending at the end of the year. The Company has furnished satisfactorily replied to the SEBI, Stock Exchanges and Investors.

**7. CEO/CFO Certification**

As required under clause 49 of the Listing Agreement CEO/CFO Certification is given elsewhere in the Annual Report.

**8. Report on the Corporate Governance**

The Corporate Governance Report forms part of this Annual Report. The Company is fully compliant with all the provisions of the clause 49 of the Listing Agreement with the Stock Exchange.

**9. Compliance**

A certificate from the Statutory Auditors of the Company confirming with all the conditions of the corporate governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange is annexed to the Director's Report and form part of the Annual Report.

**10. General Shareholders Information**

**1. Annual General Meeting**

Day and Time : 30<sup>th</sup> September, 2011  
 Time: 11:00 A.M.  
 Venue : National Highway No-8, Village Goonti, Tehsil Behror, District-Alwar, Rajashtan-300701.

**2. Book Closure Date** : From Thursday 29<sup>th</sup> September, 2011, to Friday 30<sup>th</sup> September, 2011 (both days Inclusive)

**3. Dividend Payment Date** : Not Applicable  
 As no dividend was proposed during the Financial year 2010-11

**4. Registered Office** : National Highway No-8, Village Goonti, Tehsil Behror, District-Alwar, Rajashtan-300701.

**5. Listing Details** : The Equity Shares of the Company are listed with Bombay Stock Exchange Ltd (BSE)

**6. Scrip Code** : 533079

**7. Market Price Data**

The market data relating to High, Low and closing prices during each month in financial year 2010-11 w.e.f. April, 2010 to March, 2011 on Bombay Stock Exchange Limited are as under:

Month	High (In Rs.)	Low ( In Rs.)	Closing*(In Rs.)
April, 2010	9.21	7.12	7.49
May, 2010	7.83	5.90	6.70
June, 2010	7.10	5.90	6.93
July, 2010	7.10	5.81	6.10
August, 2010	7.10	5.90	6.50
September, 2010	6.80	5.75	6.00
October, 2010	6.49	5.29	6.24
November, 2010	6.54	5.31	5.79
December, 2010	7.01	5.13	6.17
January, 2011	5.90	4.55	4.92
February, 2011	5.23	4.40	4.51
March, 2011	4.71	3.70	3.80

\*The Closing Price represents the price on the last trading day of each month of Financial Year 2010-2011.

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**SAND PLAST (INDIA) LIMITED**

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8. **Depository** : National Securities Depository Ltd (NSDL)  
Central Depository Services Ltd (CDSL)
9. **ISIN Code** : INE122K01013
10. **Registrar and Share Transfer Agent** : RCMC Share Registry Private Limited  
B-106, Sector-2, Noida (Delhi-NCR)  
T.No.- 0120-4015880.

11. **Share Transfer System**

Presently the shares transfers which are received in physical form are processed and share certificates are returned within a period of 10 to 15 days from the date of receipts subject to the document being valid and complete in all respect. The shares of the company are compulsorily traded in dematerialized form. The Shares of the Company are admitted for trading under both NSDL and CDSL.

12. **Investor Services**

The status of Investors Complaints as on 31<sup>st</sup> March, 2010 is as follows:-

Number of Complaints pending as on : 02  
1<sup>st</sup> April, 2011

Number of complaints received during : 30  
the financial year 2010-11

No of Complaints resolved up to : 29  
31<sup>st</sup> March, 2011

Complaints pending as on 31<sup>st</sup> March : 03  
2011

13. **Distribution of Shareholding as on 31<sup>st</sup> March, 2011**

Range	No. of Shareholders	Percentage (%) of Shareholders	No. of Shares	Percentage (%) of Shares
Upto 5000	12150	86.64	2231246	9.62
5001-10000	939	6.70	776180	3.35
10001-20000	434	3.09	677192	2.92
20001-30000	101	0.72	259230	1.12
30001-40000	122	0.87	447505	1.93
40001-50000	117	0.83	519840	2.24
50001-100000	71	0.51	523010	2.25
100001 and above	90	0.64	17765797	76.58
<b>Total</b>	<b>14024</b>	<b>100.00</b>	<b>23200000</b>	<b>100.00</b>

**14. Shareholding Pattern as on 31<sup>st</sup> March, 2011**

Category of Shareholders	Number of Shares	% of Holdings
Promoter and Promoter Group	12,868,202	55.47
Mutual Fund/UTI	5,10,322	2.20
Financial Institutions/Banks	11,000	0.05
Foreign Institutional Investors	25,100	0.11
Bodies Corporate	2,354,845	10.15
Non-resident	5,66,700	2.44
Indian Public	6,801,131	29.31
Any other -Clearing Member	62,700	0.27
<b>Total</b>	<b>23,200,000</b>	<b>100</b>

**15. Dematerialization of shares and liquidity**

The Shares of the Company are compulsorily traded in dematerialized form. The shares of the Company are admitted for trading under both Depository System in India- NSDL and CDSL.

**16. Investors Correspondences**

In order to facilitate the quick redressal of the grievances and queries of the investors may contact at the under mentioned address for any assistance.

**Sand Plast India Limited**

DVB Ash Pond

Adjacent to Nagla Machi CNG Station

Ring Road, New Delhi-110002

Ph. 91-11-23370267

E- Mail [investor@sandplastindia.com](mailto:investor@sandplastindia.com)[spilindia@gmail.com](mailto:spilindia@gmail.com)

As the work relating to transfer/transmission/dematerialization or rematerialisation of shares in the Company is done by our Registrar and Share Transfer Agent. Therefore investors for their queries relating to shares transfer/dematerialization/rematerialization are requested and advised to contact the Registrar & Share Transfer Agent of the Company at following address:-

**RCMC Shares Registry Private Limited**

B-106, Sector-2, Noida (Delhi-NCR)

T.No. - 0120-4015880

[sectshares@rcmcdelhi.com](mailto:sectshares@rcmcdelhi.com)**DECLARATION**

I Rajesh Gupta, Managing Director and Compliance Officer of the Company i.e. Sand Plast (India) Limited to the best of my knowledge and belief and as provided in the clause 49 of the listing agreement with the stock exchanges, hereby declare that all the Board members and senior management personnel have affirmed the compliance with the code of conduct for the year ended March 31, 2011.

Sd/-  
Rajesh Gupta  
Managing Director

Place: Mumbai

Dated: 30<sup>th</sup> May, 2011

## **CEO/CFO Certification**

I, Rajesh Gupta, Managing Director and Chief financial officer certified that:

- a) I have reviewed the financial statement and cash flow statement for the year ended March 31, 2011 and to the best of my knowledge and belief:
- i) these statement do not contain any material untrue statement or omit any material fact or contain statement that might be misleading;
  - ii) these statement together present true and fair view of the Company's affair and are in compliance with existing Accounting standards, applicable laws and regulation.
- b) To the best of our knowledge and belief, no transaction entered into by the Company during the year ended March 31, 2011 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and Audit committee, deficiencies in the design and operation of such internal controls, if any, of which we are aware and step have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- I. significant changes in internal control over financial reporting during the year.
  - II. significant changes in accounting policies during the year and that the have been disclosed in the notes to the financial statements; and
  - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
Rajesh Gupta  
Managing Director

Place: Mumbai  
Dated: 30<sup>th</sup> May, 2011

## **AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To  
The Members  
Sand Plast (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Sand Plast (India) Limited for the year 31<sup>st</sup> March' 2011 as stipulated in Clause 49 of the Listing Agreement of said company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement. We further state that such compliance is neither an assurances as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For D. Khanna & Associates**  
Firm Registration No. 012917N  
Chartered Accountants

Sd/-  
**(Girdhari Lal Rinwa)**  
Partner  
M.No. 411129

Place : Mumbai  
Dated: 30th May, 2011

## AUDITORS' REPORT TO THE MEMBERS OF SAND PLAST INDIA LTD.

We have audited the attached Balance Sheet of, **SAND PLAST INDIA LTD.** as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto for the period ended on that date and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003 as amend by CARO (Amendment) 2004 issued by the Central Government of India, in terms of sub-section (4A) of section 227 of the Companies Act, 1956; we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of Clause (g) of sub-section (i) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanation given to us, we further report that the said account subject to matters mentioned herein below, read with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted:-
  - a) **Attention is invited to Note. No. 3(c) & (d) of Schedule –L on Notes to accounts of the company for the year, which state that the company has filed Modified Draft Rehabilitation Scheme to Hon'ble BIFR dated 27<sup>th</sup> April, 2011 and Secured Creditors i.e. PNB and HUDCO. As proposed In this MDRS, Company has not provided interest on PNB dues amounting to Rs. 270.77 Lacs and Rs. 2673.64 Lacs in respect of HUDCO in totality, as a result of the same Secured liabilities and accumulated losses of the company are understated by Rs. 2944.41 Lacs (Including Current year Interest Rs. 362.58). Approval of Modified Draft Rehabilitation Scheme is still pending.**
    - \* in the case of Balance Sheet, of the State of affairs of the company as at 31<sup>st</sup> March, 2011
    - \* in the case of Profit and Loss account, of the Loss of the year ended on that date and
    - \* in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For D. Khanna & Associates**  
Firm Registration No. 012917N  
Chartered Accountants

**Sd/-**  
**(Girdhari Lal Rinwa)**

Partner

M.No. 411129

Place: Mumbai

Date: 30<sup>th</sup> May, 2011

## **ANNEXURE TO THE AUDITORS' REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has phased programme of physical verification of its fixed assets at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. During the year, the management has physically verified fixed assets and no material discrepancies were noticed on such physical verification.
- (c) The Company has not disposed off a substantial part of the fixed assets during the year and therefore the going concern status of the company is not affected.
- (ii) (a) We are informed that the physical verification of inventory has been conducted during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. As explained to us, no material discrepancies noticed on physical verification of inventory as compared to book records.
- (iii) (a) According to the information and explanation given to us, the company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
- (b) According to the information and explanations given to us, the details of secured or unsecured loan taken from individual covered in the register maintained under section 301 of the Companies Act, 1956 are as under:
- | <b>Name</b>                             | <b>Amount (Rs. In lacs)</b> |
|---|-----------------------------|
| <b>Rajesh Gupta (Managing Director)</b> | <b>170.50</b>               |
- (c) In our opinion the terms of these loans are, prima facie, not prejudicial to the interest of the company;
- (d) The rate of interest being prima facie prejudicial to the interest of the company does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 for the year have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Companies Act, 1956 in excess of Rs. 5,00,000/- in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning or provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for the products manufactured by the Company.



**SAND PLAST (INDIA) LIMITED**

(ix) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

(b) As per Information and explanations furnished to us and on verification of records produced, there are disputed statutory dues outstanding aggregating to Rs. 22,03,994.63 as at 31<sup>st</sup> March, 2011, which have not been deposited with the respect of Sales Tax which are as follows:

NAME OF STATUTE	NATURE OF THE DUES	AMOUNT (RS.)
CST Rajasthan	Sales Tax	4819.73
Rajasthan Sales Tax	Sales Tax	2199174.90

As informed by the present management, they above liability belong to the period pertaining to the previous management and records are not available hence disputed.

- (x) The Company has accumulated losses of Rs. 8, 37, 98,150 after adjusting current year loss.
- (xi) In our opinion and according to the information and explanations given to us, the dues of the financial institutions/banks were rescheduled under rehabilitation package pending in the honorable BIFR so in this reference as per point no. (vi) (a) latest MDRS filed in BIFR however there are defaults in repayment there against.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund, nidhi, mutual benefit fund or a Society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore clause 4(xv) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xvi) The company has not obtained any fresh term loan during the financial year.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, fund raised on short term basis have, prima facie, not been used during the year for long term investments and vice versa.
- (xviii) The company has neither issued any fresh share capital nor made any preferential allotment during the year.
- (xix) The Company has not issued debentures during the financial year and hence, the question of creating securities in respect thereof does not arise.
- (xx) The Company has not raised any money by public issue.
- (xxi) As informed by the company, no case of any fraud on or by the company has been noticed or reported during the year
- (xxii) The Company is a sick industrial Company, as per BIFR Reg. No. 388/2001 within the meaning of clauses (O) of Section 3(1) of the sick Industrial Companies (Special Provision) Act, 1985.

**For D. Khanna & Associates**  
Firm Registration No. 012917N  
Chartered Accountants

Sd/-  
(Girdhari Lal Rinwa)  
Partner

M.No. 411129  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2011

**SAND PLAST (INDIA) LIMITED**

**SAND PLAST (INDIA) LIMITED  
BALANCE SHEET AS AT 31st MARCH' 2011**

SCHEDULE	CURRENT YEAR AS AT 31st MARCH'2011		PREVIOUS YEAR AS AT 31st MARCH'2010
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUNDS</b>			
<b>AUTHORISED CAPITAL</b>			
35,000,000 EQUITY SHARES OF Rs.10/- EACH (PREVIOUS YEAR 35,000,000 EQUITY SHARES OF Rs.10/- EACH)		350,000,000	350,000,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>			
23,200,000 EQUITY SHARES OF Rs.10/- EACH (PREVIOUS YEAR 23,200,000 EQUITY SHARES OF Rs.10/- EACH)	232,000,000	232,000,000	
<b>RESERVE AND SURPLUS</b>	A	11,609,640	11,609,640
<b>LOAN FUNDS</b>			
SECURED LOANS	B	50,400,000	50,400,000
UNSECURED LOANS	C	27,414,000	10,364,000
DEFERRED TAX LIABILITY		<u>43,328,929</u>	<u>43,328,929</u>
<b>TOTAL</b>		<b><u>364,752,569</u></b>	<b><u>347,702,569</u></b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
GROSS BLOCK	D	431,209,344	431,209,344
LESS: ACCUMULATED DEPRECIATION		<u>155,943,701</u>	<u>135,876,242</u>
<b>NET BLOCK</b>		275,265,643	295,333,102
CAPITAL WORK IN PROGRESS (INCLD. ADVANCES)		<u>35,670,158</u>	<u>32,111,687</u>
INVESTMENTS	E	310,935,801	327,444,789
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		198,000	198,000
INVENTORIES	F	4,127,598	7,808,622
SUNDRY DEBTORS	G	6,835,644	7,569,783
CASH & BANK BALANCES	H	3,888,277	6,304,875
LOANS & ADVANCES	I	<u>33,975,080</u>	<u>33,492,064</u>
		48,826,599	55,175,344
LESS: CURRENT LIABILITIES & PROVISIONS	J	<u>90,680,583</u>	<u>91,046,226</u>
<b>NET CURRENT ASSETS</b>		(41,853,984)	(35,870,882)
MISC. EXP. (to the extent not w/off and/or adjusted)	K	11,674,602	10,803,957
PROFIT AND LOSS ACCOUNT		83,798,150	45,126,705
<b>TOTAL</b>		<b><u>364,752,569</u></b>	<b><u>347,702,569</u></b>

**NOTES TO ACCOUNTS**

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As per our attached report of even date

**For D. KHANNA & ASSOCIATES**

Firm Registration No. 012917N

Chartered Accountant

**For and on behalf of the Board of Director**

Sd/-  
**GIRDHARI LAL RINWA**  
PARTNER  
M.No. 411129

Sd/-  
**SHWETA KANOONGO**  
COMPANY SECRETARY

Sd/-  
**S. M. PARVATKAR**  
DIRECTOR

Sd/-  
**RAJESH GUPTA**  
MANAGING DIRECTOR

Dated:-30<sup>th</sup> May, 2011

Place: - Mumbai

**SAND PLAST (INDIA) LIMITED****SAND PLAST (INDIA) LIMITED****TRADING AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH' 2011**

	CURRENT YEAR	PREVIOUS YEAR
<b>INCOME</b>		
SALES	28,646,562	55,116,014
IN-HOUSE CONSUMPTION	620,525	
MISCELLANEOUS INCOME	1,100,247	2,326,490
EXCESS PROVISION WRITTEN BACK (NET)	102,602	134,629,794
INCREASE / (DECREASE) IN STOCK	(1,625,571)	1,478,186
<b>TOTAL INCOME</b>	<b>28,844,365</b>	<b>193,550,484</b>
<b>EXPENDITURE</b>		
RAW MATERIAL CONSUMPTION	16,369,932	37,120,984
STORES & SPARES COMSUMPTION	3,076,990	3,195,993
POWER AND FUEL	11,359,589	18,181,190
SALARY & WAGES	8,233,734	8,188,219
STAFF WELFARE EXPENSES	447,007	739,737
DEPRECIATION	20,067,459	20,077,412
SELLING & DISTRIBUTION EXP	59,506	12,178
DISCOUNT ALLOWED	12,028	374,689
REPAIRS & MAINTENANCE EXP	851,214	802,813
INTEREST & FINANCIAL CHARGES	846,944	1,086,693
REMUNERATION TO AUDITORS	60,000	60,000
COMMUNICATION EXPENSES	290,601	456,262
RENT EXPENSES (LICENSE FEE)	2,429,325	2,265,376
PRINTING & STATIONERY	45,455	226,402
CONVEYANCE & VEHICLE RUNNING & MAINT.	691,442	622,608
LEGAL CHARGES	65,000	61,000
PROFESSIONAL CHARGES	637,912	483,373
TRAVELLING EXPENSES	432,295	854,784
DIRECTOR'S SITTING FEE	15,000	15,000
MISCELLANEOUS EXPENSES	804,978	1,684,816
ADVERTISEMENT & RECRUITMENT EXP	177,993	148,085
RATES & TAXES	4,104	8,547
INSURANCE EXP	307,102	263,066
LOSS ON SALE OF ASSETS	0	70,058
VAT/CST PENALTY	230,200	0
<b>TOTAL</b>	<b>67,515,810</b>	<b>96,999,285</b>
PROFIT/(LOSS) BEFORE TAX	(38,671,445)	96,551,199
LESS: PROVISION FOR FBT	0	0
LESS: MISC. EXP WRITTEN OFF	0	0
LESS: PRIOR PERIOD EXP	0	305,151
PROFIT AFTER TAX	(38,671,445)	96,246,048
ADD: PROFIT/(LOSS) B/F FROM PREVIOUS YEAR	(45,126,705)	(102,597,191)
ADD: EXCESS PROVISION OF FBT WRITTEN BACK	0	0
ADD: DEFERRED TAX ASSETS	0	(38,775,562)
NET PROFIT/(LOSS) C/F TO BALANCE SHEET	(83,798,150)	(45,126,705)

As per our attached report of even date

**For D. KHANNA & ASSOCIATES**

Firm Registration No. 012917N

Chartered Accountant

**For and on behalf of the Board of Director**

Sd/-  
**GIRDHARI LAL RINWA**  
**PARTNER**

Sd/-  
**SHWETA KANOONGO**  
**COMPANY SECRETARY**

Sd/-  
**S. M. PARVATKAR**  
**DIRECTOR**

Sd/-  
**RAJESH GUPTA**  
**MANAGING DIRECTOR**

M.No. 411129

Dated:-30<sup>th</sup> May, 2011

Place: - Mumbai

**SAND PLAST (INDIA) LIMITED**

**SCHEDULES (A TO L) FORMING PART OF THE BALANCE SHEET**

	<b>CURRENT YEAR AS AT 31st MARCH'2011</b>	<b>PREVIOUS YEAR AS AT 31st MARCH'2010</b>
<b>SCHEDULE - A : RESERVE &amp; SURPLUS</b>		
CAPITAL RESERVE	1,500,000	1,500,000
SHARE PREMIUM ACCOUNT	10,109,640	10,109,640
PROFIT & LOSS ACCOUNT	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<u>11,609,640</u>	<u>11,609,640</u>

**SCHEDULE - B : SECURED LOANS**

TERM LOANS:		
FROM INSTITUTIONS	39,450,000	39,450,000
FROM A SCHEDULED BANK	<u>10,950,000</u>	<u>10,950,000</u>
<b>TOTAL</b>	<u>50,400,000</u>	<u>50,400,000</u>

**SCHEDULE - C : UNSECURED LOANS**

FROM:		
DIRECTORs	27,414,000	10,364,000
BODIES CORPORATE	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<u>27,414,000</u>	<u>10,364,000</u>

**SCHEDULE - D : FIXED ASSETS**

ASSETS BLOCK	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	BALANCE AS ON 01.04.2010	FOR THE YEAR ADDITIONS    DELETIONS		TOTALCOST AS ON 31.03.2011	TOTAL UPTO 31.03.2010	FOR THE YEAR ADDITIONS    DELETIONS		TOTAL UPTO 31.03.2011	AS AT MARCH 31st' 2010	AS AT MARCH 31st' 2011
LAND AT BEHROR (FREEHOLD)	2,099,739	0	0	2,099,739	0	0	0	0	2,099,739	2,099,739
LAND AT DELHI (LEASE & LICENSE)	3,848,788	0	0	3,848,788	0	0	0	0	3,848,788	3,848,788
BUILDING	40,220,643	0	0	40,220,643	7,078,514	967,168	0	8,045,682	33,142,129	32,174,961
PLANT & MACHINERY	357,881,611	0	0	357,881,611	118,248,370	17,213,858	0	135,462,228	239,633,241	222,419,383
FURNITURE & FIXTURES	2,191,744	0	0	2,191,744	787,642	61,333	0	848,975	1,404,102	1,342,769
ELECTRIC FITTING & INSTALLATION	21,721,946	0	0	21,721,946	9,095,249	1,611,768	0	10,707,017	12,626,697	11,014,929
OFFICE EQUIPMENTS	1,369,584	0	0	1,369,584	464,672	35,179	0	499,851	904,912	869,733
VEHICLES	1,875,289	0	0	1,875,289	201,795	178,152	0	379,947	1,673,494	1,495,342
<b>TOTAL</b>	<b>431,209,344</b>	<b>0</b>	<b>0</b>	<b>431,209,344</b>	<b>135,876,242</b>	<b>20,067,459</b>	<b>0</b>	<b>155,943,701</b>	<b>295,333,102</b>	<b>275,265,643</b>
PREVIOUS YEAR	431,283,757	100,587	175,000	431,209,344	115,852,772	20,077,412	53,942	135,876,242	315,430,985	

**NOTE:**

- 1.No depreciation has been provided on assets located at Behror since no production activities there currently.
- 2.During the financial year, plant has worked on two shifts. Hence depreciation has been taken on double shift basis.
3. No depreciation has been charged on P&M valuing Rs.115,996,347/- as the same is not used in production during the year.

**SAND PLAST (INDIA) LIMITED****SCHEDULE - E : INVESTMENTS**

UNQUOTED INVESTMENT:		
9,900 (9,900) EQUITY SHARES OF Rs.10/- EACH OF SAND LIME PRODUCTS (INDIA) LTD., FULLY PAID UP	99,000	99,000
9,900 (9,900) EQUITY SHARES OF Rs.10/- EACH OF SPIL MACHINES MANUFACTURERS LTD., FULLY PAID UP	99,000	99,000
<b>TOTAL</b>	<u>198,000</u>	<u>198,000</u>

**SCHEDULE - F : INVENTORIES**

(VALUED & CERTIFIED BY THE MANAGEMENT)		
RAW MATERIALS	104,577	784,779
STORES & SPARES	2,373,950	3,749,201
STOCK-IN-PROCESS	1,692	129,917
FINISHED GOODS	<u>1,647,379</u>	<u>3,144,725</u>
<b>TOTAL</b>	<u>4,127,598</u>	<u>7,808,622</u>

**SCHEDULE - G : SUNDRY DEBTORS**

(UNSECURED CONSIDERED GOOD)		
OUTSTANDING FOR A PERIOD		
- MORE THAN SIX MONTHS	5,897,538	5,897,538
- OTHERS	<u>938,106</u>	<u>1,672,245</u>
<b>TOTAL</b>	<u>6,835,644</u>	<u>7,569,783</u>

**SCHEDULE - H : CASH & BANK BALANCES**

BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	229,302	655,856
IN FIXED DEPOSITS	0	5,108,347
IN FIXED DEPOSITS (Lodged as collateral with others)	514,154	514,154
CASH IN HAND	<u>3,144,821</u>	<u>26,518</u>
<b>TOTAL</b>	<u>3,888,277</u>	<u>6,304,875</u>

**SCHEDULE - I : LOANS AND ADVANCES**

(UNSECURED CONSIDERED GOOD)		
ADVANCES RECOVERABLE IN CASH OR IN KIND	31,514,992	31,031,976
DEPOSITS	<u>2,460,088</u>	<u>2,460,088</u>
<b>TOTAL</b>	<u>33,975,080</u>	<u>33,492,064</u>

**SCHEDULE - J : CURRENT LIABILITIES & PROV.**

SUNDRY CREDITORS	7,195,992	9,967,617
SECURITY DEPOSITS	1,277,313	1,071,389
OTHER LIABILITIES	12,388,898	10,188,840
ADVANCE AGAINST SHARE CAPITAL	<u>69,818,380</u>	<u>69,818,380</u>
<b>TOTAL</b>	<u>90,680,583</u>	<u>91,046,226</u>

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**SAND PLAST (INDIA) LIMITED**

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**SCHEDULE - K : MISCELLANEOUS EXPENDITURE**

(TO THE EXTENT NOT WRITTEN OFF AND/OR ADJUSTED)

PRELIMINARY EXPENSES	1,219,207	1,219,207
SHARE & FCD ISSUE EXPENSES	5,021,245	4,946,245
DEFERRED REVENUE EXPENDITURES	<u>5,434,150</u>	<u>4,638,505</u>
<b>TOTAL</b>	<u>11,674,602</u>	<u>10,803,957</u>

**SCHEDULE – L**

EXPLANATORY NOTES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> March'2011.

**1.0 SIGNIFICANT ACCOUNTING POLICIES****1.1 ACCOUNTING CONVENTION**

The financial statements have been prepared in accordance with the historical cost convention on the going concern basis. System of accounting followed is Mercantile System in accordance with the generally accepted accounting principles and the provisions of the Companies Act'1956, on consistent basis. Accounting policies not specifically referred to are consistent with generally accepted accounting principles followed by the company.

**1.2 FIXED ASSETS**

Fixed assets are recorded at cost or are based on payments in case of hire purchase and are stated at historical cost less depreciation.

**1.3 DEPRECIATION**

Depreciation is charged on straight-line method on pro-rata basis in accordance with the rates specified in Schedule-XIV of the Companies Act'1956.

**1.4 REVENUE RECOGNITION**

Revenue is recognized when sales are completed which generally coincide with the passage of title to the customer / delivery of goods / rendering of services.

**1.5 INVENTORIES**

- Finished goods are valued at cost or market value, whichever is lower.
- Raw materials, stores, spares and tools are valued at cost.
- Work in progress is valued at cost

1.6 Preliminary, share issue exp. and deferred exp. are amortized over a period of 20 years only out of profit.

2.0 Secured term loans represent amount after restructuring under the BIFR Scheme.

**3.0 CONTINGENT LIABILITIES NOT PROVIDED FOR:**

- Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.2.33 lac (previous year Rs.3.71 lac).
- A tripartite agreement was entered into between the company, promoters and co-promoters on 15<sup>th</sup> October'2007 whereby it was agreed to provide for interest @12% per annum amounting to Rs.1,99,28,844/- for the period from September'05 to 15<sup>th</sup> October'07 on the amount brought-in by co-promoters on various dates of Rs.7.75 crore. However, no provision has been made pending in the accounts as tripartite agreement become part of rehabilitation scheme of BIFR, as per Hon'ble BIFR order dated 12.06.2008 and an opinion as to the applicability of section 58A of the Companies Act'1956,

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**SAND PLAST (INDIA) LIMITED**

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as original agreement dated 10/03/05 & further tripartite agreement dated 15/10/07 become part of rehabilitation scheme of BIFR and Modified Draft Rehabilitation Scheme, filed on 27<sup>th</sup> April, 2010.

- c) The Balance sheet of the company reflects amount Rs. 109.50 lacs (Principal) payable to PNB (one of the secured creditor of the company) as per Modified Draft Rehabilitation Scheme filed on 27<sup>th</sup> April, 2010 by the company to Hon'ble BIFR and PNB as well. As the company proposes to seek waiver of interest from PNB for Rs. 270.77 lacs, no provision is made in the Balance sheet of the company for the said interest. The unprovided interest with respect to which company proposes to approach PNB for waiver amount Rs. 270.77 lacs. Approval of Hon'ble BIFR & Secured creditors in respect of Modified Draft Rehabilitation Scheme is still pending.
- d) The Balance sheet of the company reflects amount Rs. 394.50 lacs to HUDCO (another secured creditors of the company) as per Modified Draft Rehabilitation Scheme filed on 27<sup>th</sup> April, 2010 by the company to Hon'ble BIFR and HUDCO as well. As the company proposes to seek waiver of interest from HUDCO for Rs. 2673.64 lacs, no provision is made in the balance sheet of the company for said interest. The unprovided interest with respect to which company proposes to approach HUDCO for waiver amount Rs. 2673.04. Approval of Hon'ble BIFR & Secured creditors in respect of Modified Draft Rehabilitation Scheme is still pending.
- 4.0 During the financial year 2008-09 Company has accepted Rs.6.80 crore through an Investor against allotment of equity shares as per direction by BIFR order dated 12.06.08. The amount is lying in advance against equity (under current liabilities).
- 5.0 a) In view of uncertainty involved, recovery pursuant to the rule of the court award (decree) by Delhi High Court and appointment of Receiver by German Court with respect to Arbitration Award against the collaborators M/s Dorstener, shall be recognized in the accounts on receipt basis as per the provisions of Accounting Standard 4, issued by the Institute of Chartered Accountants of India.
- b) Company has filed civil suits for recovery of principal amount of Rs.106 lac and interest and other charges thereon.
- 6.0 As required by the Accounting Standard 18, issued by the Institute of Chartered Accountants of India, effective from 1<sup>st</sup> April'2001, As per Management representation provide by the management that during the financial year there is no transaction made with the related party as per defined in the accounting standard.
- 7.0 Taxation: Provision for Income Tax comprises of current tax and deferred tax charge or release. Deferred tax is recognized, subject to consideration of prudence, being difference between taxable and accounting income / expenditure that originate in one period and are capable of reversal in one or more subsequent period (s). Deferred tax assets are recognized as there is 'virtual certainty' that sufficient future taxable income will be available against which such deferred tax assets will be realized. No provision has been made towards income tax for the year in view of operational losses.
- 8.0 Segment Reporting: As informed by the management, the same is not applicable to the company, as company has dealt with only one segment during the year. (Previous year – NIL segments).
- 9.0 REMUNERATION TO DIRECTORS:
- |                         |   |  |
|-------------------------|---|--|
| * Managing Director     | - | Current year Rs.18,00,000/- (previous year –18,00,000/-) |
| * Directors Sitting Fee | - | Current year Rs.15,000/- (previous year – Rs.15000/-)    |
- 12.0 REMUNERATION TO AUDITORS:
- |                             |   |   |
|-----------------------------|---|---|
| * For statutory audit       | - | Rs.34,000 (previous year - Rs.34,000/-) |
| * For tax audit             | - | Rs.16,000 (previous year - Rs.16,000/-) |
| * For Certification matters | - | Rs.10,000 (previous year – Rs.10,000/-) |

**SAND PLAST (INDIA) LIMITED**

Reimbursement of expenses	-	Rs.20,762/-(Previous year - Rs. 25,199/-)
13.0 Term loans from HUDCO and Punjab National Bank are secured by the first mortgage and charge on all company's immovable and movable properties, both present and future ranking <i>pari-passu</i> and are also personally guaranteed by the previous Chairman & Managing Director, Mr. Ved Prakash. The company has got stay from DRAT against order of DRT dated 9 <sup>th</sup> March, 2010.		
14.0 Deposits include National Savings Certificates, Fixed deposit receipts and interest accrued thereon.		
15.0 Traveling expenses include expenses on Director's traveling Rs.4,06,557/- (previous year Rs. 7,23,330/-) and foreign traveling of Rs. NIL (previous year Rs.NIL).		
16.0 Balances grouped under Sundry Debtors, Sundry Creditors, Current Liabilities, Bank Balances & Loans and Advance including on Capital Account are subject to confirmation from respective parties & reconciliation.		
17.0 Investments are shown at cost.		
18.0 No provision has been made in the accounts for retirement & other benefits available to employees as mentioned in AS-15.		
19.0 To the extent determinable and certified by the management, there were no dues payable to Micro; Small & Medium Enterprises to the extent such parties have been identified on the basis of information available with the company.		
20.0 Previous year figures have been regrouped / rearranged, wherever necessary to make them comparable.		
21.0 Foreign currency earnings / expenditure:		
Earnings / Receipts:	Current Period Rs. NIL	Previous Year (Rs.NIL)
Expenses / Payment:	Rs.NIL	(Rs.NIL)
22.0 CAPACITY, PRODUCTION, SALES AND CLOSING STOCK		
i) Licensed Capacity	:	(Since de-licensed, not applicable)
ii) Installed Capacity	:	180 million pieces of fly ash bricks
iii) Raw Materials Consumed :	Quantity (MT)	Amount (Rs.)
Sand/Brick Powder	7604 (22596)	4,243,772 (16,147,451)
Lime / Other Binders	2783 (4970)	9,701,919 (16,466,912)
Fly Ash	19776 (37033)	2,424,241 (4,506,621)
a) Fly Ash / CS Bricks - Finished Goods		
Opening Stok	3938 (2752)	3,144,725 (1,606,513)
Actual Production	30163 (64599)	16,369,932 (37,120,984)
Sales/In-house use	31044 (63413)	29,267,087 (55,116,014)
Closing Stock	3057 (3938)	16,47,379 (3,144,725)



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**SAND PLAST (INDIA) LIMITED**

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a.	Analysis of imported & Indigenous Consumption:	Amount (Rs.)	%
	Store Consumption:		
	Imported	—	—
	Indigenous	30,76,990/- (31,95,993/-)	100% (100%)
	Raw Materials:		
	Imported	—	—
	Indigenous	1,63,69,932/- (3,71,20,984/-)	100% (100%)

**As per our report of even date**  
**For D.Khanna & Associates**  
**Firm Registration No. 012917N**  
Chartered Accountants

**For and on behalf of the Board of Director**

**Sd/-**  
**GIRDHARI LAL RINWA**  
**PARTNER**  
**M.No. 411129**

**Sd/-**  
**SHWETA KANOONGO**  
**COMPANY SECRETARY**

**Sd/-**  
**S. M. PARVATKAR**  
**DIRECTOR**

**Sd/-**  
**RAJESH GUPTA**  
**MANAGING DIRECTOR**

**Dated:-30<sup>th</sup> May, 2011**  
**Place: - Mumbai**

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**SAND PLAST (INDIA) LIMITED**

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**SAND PLAST (INDIA) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	2010-11	2009-10	
A. CASH FLOW FROM OPERATING ACTIVITIES:			
NET PROFIT / (LOSS) BEFORE TAX		(38,671,445)	96,246,048
ADJUSTMENT FOR:			
Depreciation	20,067,459		20,077,412
Interest	846,944	20,914,403	1,086,693
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(17,757,042)	117,410,153
ADJUSTMENT FOR			
Trade & Other Receivables	3,932,147		841,155
Trade Payables	(365,643)		(64,950,992)
Accumulated Depreciation	0	3,566,504	(53,942)
CASH GENERATED FROM OPERATING ACTIVITIES		(14,190,538)	53,246,374
Interest Paid	(846,944)	(846,944)	(1,086,693)
NET CASH FROM OPERATING ACTIVITIES		(15,037,482)	52,159,681
B. CASH FLOW FROM INVESTING ACTIVITIES			
Miscellaneous Expenses	(870,645)		(2,929,744)
Purchase of Fixed Assets (Net)[including CWIP]	(3,558,471)	(4,429,116)	(11,934,401)
NET CASH USED IN INVESTING ACTIVITIES		(19,466,598)	37,295,536
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Proceeds from Borrowings	17,050,000		(64,931,595)
NET CASH USED IN FINANCING ACTIVITIES		17,050,000	(64,931,595)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(2,416,598)	(27,636,059)
Cash and Cash Equivalents			
As at (Opening Balance)	6,304,875		33,940,934
As at (Closing Balance)	3,888,277		6,304,875

Notes:

1. Figures in brackets represent cash outflows.

As per our attached report of even date

**For D. KHANNA & ASSOCIATES**

Firm Registration No. 012917N

Chartered Accountant

for and on behalf of the Board of Director

Sd/-  
**GIRDHARI LAL RINWA**  
PARTNER  
M.No. 411129

Sd/-  
**SHWETA KANOONGO**  
COMPANY SECRETARY

Sd/-  
**S. M. PARVATKAR**  
DIRECTOR

Sd/-  
**RAJESH GUPTA**  
MANAGING DIRECTOR

Date: 30th May, 2011

Place: Mumbai

**FORM OF PROXY**

**Sand Plast (India) Limited**

Registered Office: National Highway No-8, Village Goonti, Tehsil Behror, District Alwar, Rajasthan

**TWENTY SECOND ANNUAL GENERAL MEETING  
PLEASE COMPLETE THIS ATTENDANCE SLIP**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of Sand Plast (India) Limited hereby appoint the following as my/our proxy to attend and vote (On a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> (Twenty Second) Annual General Meeting of the member of the Company to be held at the Registered Office of the Company at National Highway No-8, Village Goonti Tehsil Behror, District Alwar, Rajasthan on the .....day of .....at .....A.M. and at any adjournment thereof, if any.

- 1. Mr./Ms. \_\_\_\_\_
- 2. Mr./Ms. \_\_\_\_\_
- 3. Mr./Ms. \_\_\_\_\_

Number of Shares Held \_\_\_\_\_

Signature of Proxy  
Affix 1 Rs. Revenue Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

- 1. Proxy to be effective should be deposited at the Registered Office of the Company at not less than FOURTY EIGHT HOURS before the commencement of meeting.
- 2. A proxy need not be member of the Company.
- 3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to exclusion of the vote of the other joint holders. Seniority shall be determined by the order by the order in which the names stand in the Register of Members.
- 4. The form of proxy confers authority to demand or joint in demanding a poll.
- 5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.

**FORM OF ATTENDANCE SLIP**

**Sand Plast (India) Limited**

Registered Office: National Highway No-8, Village Goonti, Tehsil Behror, District Alwar, Rajasthan

**Please complete this attendance slip and hand it over at the entrance of the venue of the Meeting**

I hereby record my presence at the Annual General Meeting held on the .....day of .....at.....A.M. at the registered office of the Company at National Highway No-8, Village, Goonti, Tehsil Behror, District Alwar, Rajasthan.

Name of the Shareholder.....  
(In block letters)

Signature of shareholder/proxy.....

Reference Folio.....

# **TWENTY SECOND ANNUAL REPORT**

## **22<sup>nd</sup>**



**SAND PLAST [INDIA] LIMITED**

# Corporate Information

## **Board of Directors**

Dr. Ram S. Garg	:	Chairman & Non-Executive Director
Mr. Rajesh Gupta	:	Managing Director
Mr. Shivraj Manikrao Parvatkar	:	Non-executive Independent Director
Mr. Suresh Pukhraj Jain	:	Non-executive Independent Director

## **Company Secretary**

Shweta Kanoongo	:	Company Secretary
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## **Auditors**

:	<b>D. Khanna &amp; Associates</b> Chartered Accountants G-6, Royal Sundaram, Plot No-1 Vivekanand Marg, C-Scheme Jaipur – 302 001 (Rajasthan)
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## **Registered Office**

:	National Highway No. 8, Village – Goonti, Tehsil – Behror, District – Alwar (Rajasthan)
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## **Corporate office and manufacturing plant (works present)**

:	DVB Ash Pond, Adjacent to Nagla Machi CNG Station, Opp. Indraprastha Park Gate No.4, Ring Road, New Delhi – 110 002
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## **Registrar and Share Transfer Agent**

:	<b>RCMC Shares Registry Private Limited</b> B-106, Sector-2, Noida (Delhi-NCR) Phone: 0120-4015880
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## **Website**

:	<a href="http://www.sandplastindia.com">www.sandplastindia.com</a>
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**SAND PLAST (INDIA) LIMITED**  
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
**STATEMENT PURSUANT TO PART IV OF THE COMPANIES ACT'1956**

**I. REGISTRATION DETAILS:**

Registration No.	1	7	/	0	4	7	7	2		
State Code	1	7								
Balance Sheet Date	3	1		0	3		2	0	1	1

**II. CAPITAL RAISED DURING THE YEAR (Amount Rs. in Lacs):**

Public Issue	N	I	L	Right Issue	N	I	L
Bonus Issue	N	I	L	Private Placement	N	I	L

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount Rs. in Lacs):**

Total Liabilities	3	6	4	7	Total Assets	3	6	4	7
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**SOURCES OF FUNDS:**

Paid-up Capital		2	3	2	0	Reserves & Surplus	1	1	6
Secured Loans			5	0	4	Unsecured Loans	2	7	4
Deferred Tax Liability		4	3	3					

**APPLICATION OF FUNDS:**

Net Fixed Assets	2	7	5	2	Miscellaneous Exp. 1	1	7	
Net Current Assets		(4	1	8)	Investments		2	
Capital Work-in-Progress		3	5	6	Accumulated Losses	8	3	8

**IV. PERFORMANCE OF COMPANY (Amount Rs. in Lacs):**

Turnover					2	8	8
Total Expenditure					6	7	5
Profit /(Loss) for the Period				(-	3	8	7)
Earning Per Share (Rs.)							
Dividend %					N	I	L

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS):**

ITEM CODE NO.	ITC CODE	PRODUCT DESCRIPTION
6902	10	CALCIUM SILICATE BRICKS
6902	10	FLY ASH BRICKS
6807	—	PRECAST PRODUCTS
6902	10	BLOCKS
6902	10	TITLES

As per our attached report of even date for and on behalf of the Board of Director  
**for D. KHANNA & ASSOCIATES**  
 Firm Registration No. 012917N Chartered Accountants

**SD/-**  
**GIRDHARI LAL RINWA**  
 PARTNER  
 M. NO. 411129  
 Place: Mumbai  
 Dated: 30th May, 2011

**SD/-**  
**SHWETA KANOONGO**  
 COMPANY SECRETARY

**SD/-**  
**RAJESH GUPTA**  
 Managing Director

**SD/-**  
**S. M PARVATKAR**  
 Director

**BOOK POST**

*If undelivered please return to :*

**Sand Plast (India) Ltd.**

National Highway No. 8,

Village- Goonti, Tehsil-Behror,

District-Alwar (Rajasthan)