

INDO BONITO MULTINATIONAL LIMITED
17th Annual Report

BOARD OF DIRECTORS

Name of the Director	Designation/ Position held
Mr. Subhabrata Sudhansu Datta	Non-Executive, Independent Chairman,
Mr. Sumuna Rajan Pandian	Executive Director
Mr. Marimuthu Rajangam	Executive Director
Mr. Vinayak Gopal Borikar	Non-Executive, Independent Director

REGISTERED OFFICE

1011, B Wing, 11th Floor,, I. J. MIMA Complex,
Link Road, Behind Goregaon
Sports Club, Malad West, Mumbai- 400064

SHARE TRANSFER AGENT

Sharepro Services (I) Pvt. Ltd.
Sam Hita Warehousing Complex,
Warehouse No. 52 & 53, Plot No. 13AB,
2nd Floor, Sakinaka, Andheri (East),
Mumbai – 400 072. INDIA

AUDITORS

S.U.Radhakrishnani & Co.
6A, Amarjeevan 41,Saint Martin’s Road,
Near Bandra Police Station , Bandra (W), Mumbai:-400 050

BANKERS

Bank of India
Union Bank of India

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the members of the Company will be held on Friday, 30th September, 2011 at 04.30 p m. at Gokul Anand Hotels Pvt Ltd, Shiv Vallabh Road, Western Express Highway, Ashok Van, Dahisar (East), Mumbai-400068 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit & Loss Account and Cash Flow Statement for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Subhabrata Sudhanshu Datta, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To reappoint M/s. S. U. Radhakrishanani & Co., Chartered Accountants, Mumbai, the retiring auditors, as the 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 and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification following resolution as Ordinary Resolution:-

“RESOLVED THAT, Mr. Vinayak Gopal Borikar, who was appointed as an Additional Director of the Company by the Board of Directors in their meeting held on 1st October, 2010 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice in writing under Section 257 of the Companies Act, 1956 has been received from a Member signifying her intention to propose him as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director liable to retire by rotation.”

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

5. To consider and if thought fit, to pass with or without modification following resolution as Ordinary Resolution:-

"RESOLVED THAT the REVISED STATEMENTS OF ACCOUNTS for the year ended 31-March-2009, inter alia Revised Audited Balance Sheet as at 31-March-2009, Profit & Loss Account and Cash Flow Statement for the year ended on that date and the reports of the Directors and the Auditors on the Revision of the Accounts and its Differential Impact on the Profit or Loss and the past Dividend for the financial year 2008-09 and the overall financial position of the company, be and are hereby approved and adopted."

6. To consider and if thought fit, to pass with or without modification following resolution as Ordinary Resolution:-

"RESOLVED THAT the REVISED STATEMENTS OF ACCOUNTS for the year ended 31-March-2010 inter alia Revised Audited Balance Sheet as at 31-March-2010, Profit & Loss Account and Cash Flow Statement for the year ended on that date and the reports of the Directors and the Auditors on the Revision of the Accounts and its Differential Impact on the Profit or Loss and the past Dividend for the financial year 2009-10 and the overall financial position of the company, be and are hereby approved and adopted".

7. To consider and if thought fit, to pass with or without modification following resolution as Special Resolution:-

"RESOLVED THAT pursuant to provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the Company hereby approves the appointment of Mr. Sumuna Rajan Pandian as Managing Director of the Company for a period of Two years with effect from 27th June, 2008 upon the terms and conditions including remuneration as set out in the draft agreement submitted to the meeting and initialled by the Chairman, for the purpose of identification, which draft agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or the Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Directors and Mr. Sumuna Rajan Pandian."

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified above, to the extent the Board of Directors may consider appropriate, as may be permitted or authorised in accordance with any provision under the Companies Act, 1956 or Schedules appended thereto, for the time being in force or any statutory modification or reenactment thereof and/or any rules or regulations thereunder."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

**By Order of the Board of Directors
For Indo Bonito Multinational Limited**

Sd/-

Subhabrata Sudhansu Datta

(Compliance officer)

Date:- September 02, 2012

**Registered Office:
A 729, TTC Industrial Area,
Koparkhairne,
Navi Mumbai 400 705**

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

Notes:

1. A member entitled to attend and vote at the annual general meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. In terms of provisions of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Mr. Subhabrata Sudhanshu Datta, Director, retire by rotation at the ensuing Meeting and being eligible, offer himself for reappointment.

The Board of Directors of the Company commends his re-appointment.

4. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.

6. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

9. (a) The Company has notified closure of Register of Members and Share Transfer Books from **5th September,2011 To 7th September,2011** (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

10. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrars and Transfer Agents, M/s. Sharepro Services (India) Private Limited.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Sharepro Services (India) Private Limited.

16. Non-Resident Indian Members are requested to inform Sharepro Services (India) Private Limited, immediately of :a. Change in their residential status on return to India for permanent settlement. b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

**By Order of the Board of Directors
For Indo Bonito Multinational Limited**

**Sd/-
Subhabrata Sudhansu Datta**

(Compliance officer)

Date:- September 02, 2012

**Registered Office:
A 729, TTC Industrial Area,
Koparkhairne,
Navi Mumbai 400 705**

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Explanatory Statement pursuant to Sec.173 of the Companies Act, 1956, setting out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying notice and forming part of Notice of the 17th Annual General Meeting of the company to be held on Friday, 30-September-2011 at 04.30 p m. at Gokul Anand Hotels Pvt Ltd, Shiv Vallabh Road,Western Express Highway,Ashok Van,Dahisar (East),Mumbai-400068.

Item No. 4

Mr. Vinayak Gopal Borikar was appointed as an Additional Director of the Company on 1st October, 2010. Pursuant to Section 260 of the Companies Act, 1956, she holds office up to the date of this Annual General Meeting.

Pursuant to Section 257 of The Companies Act 1956, notice in writing has been received from a Member of the Company along with the deposit of Rs.500/- signifying her intention to propose the said Director as candidate for the Office of Directors.

Mr. Vinayak Gopal Borikar holds Bachelor's Degree in Commerce and posses the wide professional experience of twenty years in the field of banking operations. Appointing him as a Director of your Company will give immense benefit to the Company.

Your Directors recommend this resolution for your approval.

None of the Directors are interested in this resolution except Mr. Vinayak Gopal Borikar, since it relates to his appointment.

Item No. 5

Subsequent to the merger of Bonito Impex Pvt. Ltd. with Indo Bonito Multinational Ltd. and after thorough review of the accounts receivables of Bonito Impex Pvt. Ltd., it was found that the amount of Rs. 53.32cr had become bad and not recoverable. Hence an amount of Rs 53.32 crores had become bad and not recoverable .Hence an amount of Rs 14.21 crores (restricted to available profits) had to be written off in 2008-09 and the Statements of Accounts had to be re-written so as to show true state of affairs of the company as on 31-March-2009.

None of the Directors is interested in the Resolution.

The Directors commend the Resolution as in the interest of the company.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

Item No. 6

Consequent to the revision in the accounts of 2008-09, it was necessary to revise the accounts of 2009-10 also, in line with the changes made in previous year.

An amount of Rs 12.97 cr had to be written off .The net Differential Impact of the revision in accounts is Rs.4.08 crores as given in detail in the Reports of the Directors and Auditors attached elsewhere in the Annual Report.

None of the Directors is interested in the Resolution.

The Directors commend the Resolution as in the interest of the company.

Item No. 7

The Board of Directors upon the approval of the remuneration committee of the Board has appointed Mr. Sumuna Rajan Pandian, as Managing Director of the Company for a period of 2 years w.e.f. 1st October,2011. The Agreement between the Company and Mr. Sumuna Rajan Pandian contains following main terms and conditions: –

- (i) Period: 2 years with effect from 1st October,2011
- (ii) Salary: Rs. 20,000 p.m.
- (iii) Perquisites:

a. Medical reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary per year or two months' salary in a period of two years.

b. Leave Travel Concession: For self and family once in a year in accordance with the rules of the Company.

The remuneration committee of the Board has considered that it is in the interest of the company to have Mr. Sumuna Rajan Pandian as the Managing Director on the terms and conditions as set out in the notice.

The Managing Director will carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors subject to the supervision, superintendence and control of the Board.

The proposed resolution numbered 7 and this explanatory statement may be treated as an abstract of the terms and conditions of the appointment of Mr. Sumuna Rajan Pandian as Managing Director in terms of section 302 of Companies Act, 1956.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

Your directors commend the resolutions for your approval as Special Resolution.

None of the Directors except Mr. Sumuna Rajan Pandian is interested in the resolutions.

**By Order of the Board of Directors
For Indo Bonito Multinational Limited**

**Sd/-
Subhabrata Sudhansu Datta**

(Compliance officer)

Date:- September 02, 2012

**Registered Office:
A 729, TTC Industrial Area,
Koparkhairne,
Navi Mumbai 400 705**

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

DIRECTORS' REPORT

To,
THE MEMBERS OF
INDO BONITO MULTINATIONAL LIMITED

Your Directors have pleasure in presenting their 17TH ANNUAL REPORT along with the Audited Annual Accounts for the year ended 31st March 2011. The financial results of the Company for the year under consideration are hereby presented.

1. FINANCIAL RESULTS

PARTICULARS	(Rupees In Cr)	
	FOR THE YEAR ENDED 31 ST MARCH'2011	FOR THE YEAR ENDED 31 ST MARCH'2010
Gross sales	126.86	251.26
Gross profit before interest, depreciation & tax	2.80	2.14
Less : Interest & financial charges	3.16	1.04
Depreciation	1.14	1.10
Provision for tax	0.00	0.00
Profit /(Loss) after tax	(1.50)	0.00
Add : Balance brought forward from previous year	0.64	0.93
Amount available for appropriation	(0.86)	0.93
Appropriations		
Dividend	0.00	0.25
Corporate tax on dividend	0.00	0.04
Balance carried forward to balance sheet	(0.86)	0.64

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

2. DIVIDEND

In view of losses in the current year and the accumulated losses ,the Directors do not consider it prudent to recommend any dividend for the financial year 2010-11.

However your Directors have been advised that despite the revision in accounts for 2008-09 and 2009-10 ,the dividend already declared and paid for the relevant years ,stands duly paid and requires no revision and reconsideration.

3. OPERATIONS

During the current financial year 2010-11 your company has discontinued the manufacturing business of dry mix plaster and cement concrete blocks due to paucity of working capital and losses incurred. And these two units have been given back to their lessors. As there have been losses due to non realization of debts from customers resulting into further liquidity crunch the turnover of the company has dropped from Rs 251 crores to Rs 126 crores.

Also the Bangalore Project which was proposed to be set up ,has also been shelved due to non disbursement of term loan sanctioned by IDBI Bank Ltd. Losses on account of aborting the project is not booked as the company is trying to modify the project into a water and similar infrastructure related project at suitable locations.

As a part of restructuring ,the company has also divested its holding in Kare Labs Pvt Ltd and took exit from pharmaceuticals business as well.

4. REVISION OF ACCOUNTS

In March 2011 your directors had revised the accounts for the year ended 31st March 2009 and 31st March 2010. The reason for the same is explained in note no 2 to Notes on Accounts forming part of Accounts..Also during the current financial year 2010-11 an amount of Rs 65.20 lacs has been booked as exceptional items on account of net losses on due to non recovery of debts from PSU buyers.

5. DIRECTORS

During the year under review, Mr. Vinayak Gopal Borikar was appointed as an Additional Director of the Company on 1st October, 2010 who holds Bachelor's Degree in Commerce and posses the wide professional experience of twenty years in the field of banking operations. Appointing him as a Director of your Company will give immense benefit to the Company. However, pursuant to Section 260 of the Companies Act, 1956, he is eligible to hold office up to the date of ensuing Annual General Meeting.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

Further, Pursuant to Section 257 of The Companies Act 1956, notice in writing has been received from a Member of the Company along with the deposit of Rs.500/- signifying her intention to propose the said Director as candidate for the Office of Directors. Such appointment can be given effect subject to approval of members at the ensuing Annual General Meeting.

Further, Pursuant to Section 256 of the Companies Act, 1956, Mr.Subhabrata .S.Datta is liable to retire by rotation and being eligible has offered himself for reappointment at the ensuing Annual General Meeting.

Your Directors recommend this regularization and reappointment of above said Director at the ensuing Annual General Meeting of the members of the Company.

6. FUTURE OUTLOOK

Your company is in the process of starting water technology and infrastructure business for revival of the company. It will augment the Board by appointing two new directors who are conversant and have expert knowledge in this line of business and will be independent directors.

7. CORPORATE GOVERNANCE

Your company has been proactive in following the principle and practice of good corporate governance. The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement of Stock Exchanges are complied with a separate report on Corporate Governance is annexed as Annexure A to the Directors' Report along with the Auditors Certificate on its compliance. To further strengthen the governance in light of recent events that affected the company, the company will induct two independent directors shortly on the Board and one of them will also be a part of the audit committee .

8. AUDITOR

M/s. S. U. Radhakrishnani & Co. , Chartered Accountants, auditors of the Company, will retire at the ensuing Annual General Meeting of the Company. It is proposed to reappoint M/s. S. U. Radhakrishnani & Co., Chartered Accountants, as the auditors of the Company, to hold office from the ensuing annual general meeting of the Company up to the next annual general meeting of the Company. The Company has received a letter from M/s. S. U. Radhakrishnani & Co. seeking reappointment at this annual general meeting and have confirmed that their appointment, if made, shall be within the limits of Section 224 (1B) of the Companies Act, 1956. The Board recommends the appointment of M/s. S. U. Radhakrishnani &Co. as Auditors and to fix their remuneration.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

9. AUDITOR'S REPORT

Clause IX (b) of the Annexure to Auditor's Report states about non payment of Income Tax arrears amounting to Rs.12.19, FBT of Rs.6.39 and Dividend Tax of Rs.8.47 Lakhs for more than 6 months by the Company. The payment has not been in this financial year due to losses and liquidity crunch.

10. FIXED DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of section 58A of the Companies Act 1956 from public and the rules made there under during the year.

11. FINANCES

The company is presently undergoing tough times and is facing a tremendous liquidity crunch. It has borrowed substantial amounts from associates with a lien on certain financial assets, which still remains to be comprehensively acquired. Additionally it has raised unsecured loans from shareholders and associates. In order to optimise the debt equity ratio and build up adequate network, the company intends to augment its' share capital subject to the required regulatory approvals

12. PARTICULARS OF EMPLOYEES

The information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, as the company has not employed any employee whose salary exceeds Rs.24,00,000/- per annum or Rs.2,00,000/- per month.

13. PARTICULAR REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As the company discontinued the manufacturing operations by relinquishing of the leases over the production facilities ,data regarding consumption off Energy is not available .Since the company did not own any facilities ,technology absorption was not feasible.The details of Foreign Exchange Earnings & Outgo are given at Annexure B to the Directors Report.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

14. SHARE CAPITAL

There has been no change in the Company's Issued, Subscribed and Paid up Share Capital of the company during the financial year 2010-11.

15. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis has been attached as Annexure B to the Directors Report.

16. DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956 it is hereby stated that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are 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 of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors had prepared the annual accounts on a going concern basis.

17. CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

The CEO Certification and Declaration about code of conduct as required under clause 49 of the Listing Agreement, is obtained from Whole-time Director of the company, as the company do not have CEO. The same is attached as Annexure C to the report.

INDO BONITO MULTINATIONAL LIMITED

Regd. Off.:- 1011, B WING, 11 FLOOR, I. J. MIMA COMPLEX, LINK ROAD, BEHIND GOREGAON SPORTS CLUB, MALAD WEST, MUMBAI- 400064

18. ACKNOWLEDGMENTS

The Board of Directors would like to thank the Shareholders, Employees, Customers, Suppliers and the Bankers for their continued support.

**For and on behalf of the Board,
Indo Bonito Multinational Limited**

**Sd/-
S. R. Pandian
(Director)**

**Sd/-
Subhabrata S Datta
(Chairman, Non Executive Independent Director)**

**Date: 2nd September, 201
Place: Mumbai**

EXPLANATION TO POINT NO. 13 OF DIRECTORS REPORT :

PARTICULAR REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken : Nil.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : Nil.
- (c) Impact of the measures taken/to be taken at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : Nil.
- (d) Total energy consumption and energy consumption per unit of production as per Form A of the annexure to the Rules is as follows :

FORM A

(Form for disclosure of particulars with respect to conservation of energy)

	Current Year 2010-2011			Previous Year 2009-2010		
	Other Business Dry Mix Plaster	Gold Jewellery	Total	Other Business Dry Mix Plaster	Gold Jewellery	Total
A) Power & Fuel Consumption						
1. Electricity						
a. Purchased						
Units (KWH)				242609	NIL	242609
Total Amount (Rs.)				1590064	NIL	1590064
Rate/Unit (Rs)				6.55	NIL	6.55
b. Own Generation (KWH)	NIL	NIL	NIL	NIL	NIL	NIL
2. Other Fuels						
Quantity (k.Litres)	NIL	NIL	NIL	NIL	NIL	NIL
Total Cost (Rs.)	NIL	NIL	NIL	NIL	NIL	NIL
B) Consumption Per Unit of Production						
1 Product Unit - MT				28965		28965
2 Electricity (KWH/MT)				8.38		8.38
3 Other Fuels				NIL		NIL

FORM B

(FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION)

No R&D activities have been taken during the year 2010-2011.

Expenditure on R&D - Nil.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION - NIL.

Import of Technology for the last five years - Nil.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	Rs in Cr.	
Particulars	2010-2011	2009-2010
Exports as a % of Total income	9.76%	56.64%
Total Foreign Exchange earned	Rs 12.01	Rs 142.92
Total Foreign Exchange outgo	Rs 0.17	0.64

REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY

The Company believes in transparency, empowerment, accountability, safety of people and environment, motivation, respect for law and fair business practices with all its stakeholders. These practices being followed since inception have helped the company in its sustained growth.

2) BOARD OF DIRECTORS

2.1 Composition:

The composition of your Board is as under:

Name of the Director	Designation/ Position held	Qualification
Mr. Subhabrata Sudhansu Datta	Non-Executive, Independent Chairman,	ICMA, (London), MBA & ICWA,
Mr. Sumuna Rajan Pandian	Managing Director	B.Com.
Mr. Marimuthu Rajangam	Executive Director	Diploma In Electrical Engineering
Mr. Vinayak Gopal Borikar	Non-Executive, Independent Director	B.Com

The composition of the Board of Directors is in conformity with Clause 49 of the Listing Agreement with the Stock Exchanges.

2.2 Dates of Board Meetings held during the year:

During the financial year 2010-2011, 8 (Eight) meetings of the Board of Directors of the Company were held on 30.04.2010, 31.07.2010, 30.08.2010, 01.10.2011, 30.10.2010, 30.12.2010, 08.02.2011, 31.03.2011

2.3 Attendance of Directors and details of Directorships in Boards and in Committees of other Companies as on

Name of the Director	No. of Board Meetings Attended	Attendance At last AGM	No. of Other Directorship	No. of other committees in which chairman / member	
				Chairman	Member
Mr. S. R. Pandian	7	YES	1	-	2
Mr. Subhabrata Sudhansu Datta	7	YES	6	1	2
Mr. M. A. Rajangam	7	NO	1	-	1
Mr. Vinayak Gopal Borikar	5	YES	0	2	1

*The composition of Board of Directors was re-constituted on 1st October,2010, subsequent to appointment of Mr. Vinayak Gopal Borikar, as Non- Executive Independent Director.

3) AUDIT COMMITTEE :

3.1. Terms of reference

The terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchanges read with Section 292A of the Companies Act. These broadly include approval of annual internal Audit plan, review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory, internal & cost auditors, recommendation for appointment of statutory and cost auditors and their remuneration. In addition to the above, the committee also reviews the following:

- (a) Management's Discussions and Analysis of Company's operations,
- (b) Periodical Internal Audit Reports,
- (c) Letters of Statutory Auditors to management on internal control weakness, if any,
- (d) Appointment, removal and terms of remuneration of Chief Internal Auditor,
- (e) Statement of significant related party transactions,
- (f) Financial statements, in particular investments made by the subsidiary companies,
- (g) Risk framework.

3.2. Composition, Meetings and attendance:

During the year, 4 meetings of the audit committee were held on 30.04.2010, 31.07.2010, 30.10.2010, 08.02.2011.

The composition of committee and attendance are as under:

Name of the Committee member	Position held in the Committee	No. of meetings attended
Mr. Subhabrata Sudhansu Datta	Chairman	4
Mr. Vinayak Gopal Borikar	Member	2
Mr. Sumuna Rajan Pandian	Member	4

*The Audit Committee of Board of Directors was re-constituted on 1st October,2010, subsequent to appointment of Mr. Vinayak Gopal Borikar, as Non- Executive Independent Director.

4) REMUNERATION COMMITTEE:

4.1 Terms of reference -

To decide the revision in remuneration of the Whole-time Director and payment of commission to them within the limits sanctioned by the shareholders.

The remuneration to the Whole-time Directors are decided on the basis of following broad criteria:-

- a) Industry trend
- b) Remuneration package in other comparable Corporates.

4.2. Composition, Meetings and attendance:

One meeting was held during the year on 08.02.2011

Composition of Committee and attendance at the Meeting:

Name of the Committee Member	Position in the Committee	Meeting Attended
Mr. Vinayak Gopal Borikar	Chairman	1
Mr. Subhabrata Sudhansu Datta	Member	1
Mr. Marimuthu Rajangam	Member	1

*The Remuneration Committee of Board of Directors was re-constituted on 1st October,2010, subsequent to appointment of Mr. Vinayak Gopal Borikar, as Non- Executive Independent Director.

4.3. Criteria for payment to Directors:

The remuneration paid to executive directors is in accordance with the provision of schedule XIII of the Companies Act, 1956. The non-executive directors have not been paid any sitting fees for attending the Board Meeting. The Company so far has not issued any stock options to Executive/ Non-Executive/Independent Directors.

4.4. During the period under review, remuneration committee had recommended appointment of Mr. Sumuna Rajan Pandian, as Managing Director of the Company for a period of 2 years w.e.f. 1st October,2011. The Agreement between the Company and Mr. Sumuna Rajan Pandian contains following main terms and conditions: –

- (i) Period: 2 years with effect from 1st October,2011
- (ii) Salary: Rs. 20,000 p.m.
- (iii) Perquisites:

a. Medical reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary per year or two months' salary in a period of two years.

b. Leave Travel Concession: For self and family once in a year in accordance with the rules of the Company.

The remuneration committee of the Board has considered that it is in the interest of the company to have Mr. Sumuna Rajan Pandian as the Managing Director on the terms and conditions as set out in the notice.

5) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

5.1. Terms of reference:

The Committee oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services. The Company has authorized the Committee to approve the share transfThe Board had designated Mr.

Subhabrata Sudhansu Datta as the Compliance Officer, who is overseeing the investors' grievances.

The company has received seventeen complaints during the year ended on 31st March, 2011. Fifteen complaints have been resolved and four complaints are pending. All transfer of shares have been processed on time.

5.2. Composition, Meetings and attendance:

Four meetings were held during the year on 30.04.2010, 31.07.2010, 30.10.2010 and 08.02.2011.

The Company had constituted Shareholders/ Investors Grievance Committee comprising of

Name of the Committee member	Position in the Committee	Meeting Attended
Mr. Vinayak Gopal Borikar	Chairman	2
Mr. Subhabrata Sudhansu Datta	Member	4
Mr. Sumuna Rajan Pandian	Member	4

*The Shareholders/ Investors Grievance Committee of Board of Directors was re-constituted on 1st October,2010, subsequent to appointment of Mr. Vinayak Gopal Borikar, as Non-Executive Independent Director.

6) GENERAL BODY MEETING :

Date, Venue and time for the last three Annual General Meetings :

Date	Venue	Time	No of special resolution
30th December, 2008	Ajanta Party Hall, Sumer Nagar, Adjacent to Flyover, S. V. Road, Borivli (West), Mumbai 400092	4.30. P.M.	6
24th September, 2009	Pride Hotel, Opp. Greens Restaurant, Next to Citibank, Off. Link Road, Chincholi Bunder, Malad (West), Mumbai 400064	4.30. P.M.	2
30th September, 2010	Pride Hotel, Opp. Greens Restaurant, Next to Citibank, Off. Link Road, Chincholi Bunder, Malad (West), Mumbai 400064	4.30. P.M	2

8) DISCLOSURES :

(i) There were significant transactions with the related parties viz. Promoters, Directors or the Management, their subsidiaries or relatives at prevailing market prices. Suitable disclosure as required by the Accounting Standard (AS18) has been made in the Annual Report.

(ii) There are no pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the company which has potential conflict with the interests of the company at large.

(iii) No penalties or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(iv) The company has in place mechanism to inform Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by the Executives.

9) MEANS OF COMMUNICATION :

The Company has a system of sending Annual Report once in a year to the shareholders. The Quarterly results of the Company are sent to Stock Exchanges as per requirement of Listing Agreement format and hence the quarterly financial results of the Company are available on BSE's website. The quarterly results are published in English and Marathi newspapers like Free Press Journal and Navshakti. Pursuant to the listing agreement the company has designated an email ID for the investors viz. indobonito_2009@yahoo.in

10) GENERAL SHAREHOLDERS INFORMATION

10.1 Annual General Meeting Date & Time : 30th September 2011, Friday, 4.30.P.M.

10.2 Financial Calendar : 1st April, 2010 to 31st March, 2011

10.3 Listing of Equity Shares : The Bombay Stock Exchange Limited.
BSE Scrip Code : 531084.

10.4 Market Price Data : High, Low during each month in last Financial Year

Month	High (Rs.)	Low (Rs.)
April, 2010	10.19	6.80
May, 2010	10.80	7.25
June, 2010	10.25	8.46
July, 2010	8.91	7.80
August, 2010	12.64	7.80
September, 2010	14.75	9.46
October, 2010	14.50	10.20
November, 2010	10.40	6.00
December, 2010	7.12	5.00
January, 2011	5.84	3.50
February, 2011	4.97	2.52
March, 2011	7.30	4.76

10.5 Registrar and Transfer Agents : **SHAREPRO SERVICES (I) Pvt. Ltd.**

Address for Investors correspondence: Sam Hita Warehousing Complex,
Warehouse No. 52 & 53,
Plot No. 13AB,2nd Floor,
Sakinaka, Andheri (East),
Mumbai – 400 072.

10.6 Share Transfer System

Share Transfer request received in physical form are registered within 15 days from the date of receipt and Demat requests are normally confirmed within an average of 15 days from the date of receipt.

10.7 Shareholding Pattern as on 31st March, 2011

Category	No. of shares held	% of shareholding
Promoters	8134500	32.62
Private- Bodies Corp.	5036271	20.19
Public- Individuals	11769529	47.19
Total	24940300	100.00

10.8 Dematerialisation of Shares & Liquidity :

The Company's equity shares are included in the list of Companies whose scripts have been mandated by the SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") to offer depository services to its shareholders. 2,16,53,771 Equity Shares of the total number of 24940300 Equity Shares of the Company representing 86.82% have been dematerialized as on 31/03/2011.

11) ADDRESS FOR CORRESPONDENCE WITH THE COMPANY.

Shareholders may address queries relating to their holdings to Subhabrata Sudhansu Datta, Compliance Officer at the registered office of the Company.

Plant Locations: Not applicable

The Company has appointed an independent agency to maintain smooth relations with the investors, who give details of all important events to the investors from time to time.

12) COMPLIANCE OFFICER OF THE COMPANY:-

Mr. Subhabrata Sudhansu Datta is Compliance Officer of the company.

For Indo Bonito Multinational Limited

**Sd/-
(S. R. Pandian)
Executive Director**

**Sd/-
(Subhabrata Sudhansu Datta
(Chairman, Non- Executive, Independent Director)**

Place : Mumbai

Date : 2nd September, 2011.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The figures for the current year reflect the business of gold jewellery and other business namely manufacturing of dry mix plaster ,cement concrete blocks and trading of building materials.

OUTLOOK

The company has undergone extremely difficult time in 2010-11, particularly concerning the recovery of debtors in its gems and jewellery business which assumed contagion levels after the Dubai Financial Crisis. The company was diversifying into manufacture of concrete products by setting up a large scale manufacturing plant . However this project had to be shelved as already explained in the Directors Report. Instead the company has decided to enter into association with Wheels Group and embark on projects related to clean drinking water technology and other related infrastructure projects. The company sees a very large potential for itself in this business space considering the national importance. Clean Drinking Water programmes being implemented at all levels ie Central Govt, State Govt, Municipal & Zilla Parishad, Development Boards etc. . The company will primarily focus on following three areas-

1. Providing Clean Drinking water to the rural schools through JALMANI (Central Govt Sponsored Program) and Shiksha Abhiyan (Central Govt Sponsored Program)
2. Creating Water Entrepreneurship through BOOT Projects by a tripartite agreement which will be entered between the Infrastructure Owner ,Water Entrepreneur and their company.
3. Promoting the "WATER ON WHEELS" concept ie BOOT Model wherein the process is mobile on a autorikshaw.

As the company has discontinued the production activity on its leased units in respect of dry mix plaster and cement concrete blocks and stopped the trading activity of gold and diamond jewellery Hence ,we have discussed mainly for trading of ceramic tiles ,building materials and water technology related business which are intended to be carried out in near future..

Gem & Jewellery sector accounted for 16.67% of India's total Merchandise Exports

Volume of exports pegged at US \$ 43139.24 million as of March 2011

The percentage increase over FY 2010-2011 is 46.89% in the Gem & Jewellery Sector of India. The Indian economy has registered a growth of 8.20 per cent in 2010-11 in GDP terms. Hence scope for building material segment was fairly good but due to financial problems the desired results could not be obtained.

RISKS & AREAS OF CONCERN

The company has risks on account of contractual obligations as per the agreements with its customers. Also it has risk of exchange fluctuations for its exports business. The credit risk in export business is mitigated by taking ECGC cover for its exports business.

As per CRISIL the credit risk profiles of India's diamond and diamond jewellery players will remain stable over the medium term, on the back of steady demand expected in key markets, and improved prices of polished diamond in 2010-11. Also due to discontinuance of this business, there is no future risk for the same.

The area of concern in the building materials segment is its moderate growth during FY 2010-11. However your company being merely a trading company in this line, does not foresee higher risk as compared to the manufacturers of similar products.

The risk in the proposed water and related infrastructure business is the budgetary allocation by Govt on its water supply programs. However clean drinking water being a key health concern and managed by a separate ministry, this risk is mitigated.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has adequate internal control procedures commensurate with the size and nature of its business. It is an independent department with objective and assurance functions that is responsible for assessing and improving the effectiveness of risk management, control and governance process. The role, scope and the functions of the internal audit department are reviewed by the Audit Committee of Directors.

HUMAN RESOURCES

We patronize a unique and home-grown philosophy of thrusting forward positively in the face of tough competition and hurdles. Ideally, the company believes in allowing people to set their own targets and gives them the freedom to achieve them. This has become a constant source of motivation for nurturing our biggest strength: people. Hiring the best people, retaining them and ensuring their development is a major challenge in today's business environment. The focus is on maintaining a high level of motivation and on leadership development.

DISCUSSION ON FINANCIAL PERFORMANCE

The financial results and performance for the year are elaborated in the Directors' Report.

CYCLICALITY/ SEASONALITY IN THE INDUSTRY

There is no cyclical / seasonal demand as far as the demand for gold studded jewellery is concerned. However, festive season increases the demand for gold products.

For ceramic tiles also it is not seasonal business .

Water and related infrastructure business is not seasonal as it is a basic necessity and has demand throughout the year.

GOVERNMENT POLICIES

Government policy for exports is encouraging. The Government has reduced the interest rates for exports to 7%.Excise duty changes affect the prices in tile industry and impact the demand. Also the excise duty on plant and equipments affect the cost of clean and pure water and the budgetary allocation by government affect the demand for the same.

CAUTIONARY STATEMENT

Statements forming part of the Management Discussion and Analysis covered in this report may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include demand and supply conditions, availability of inputs and their prices both domestic and global, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations and is a driving force in the company's growth and performance.

For Indo Bonito Multinational Limited

Sd/-
(S. R. Pandian)
Executive Director

Sd/-
(Subhabrata Sudhansu Datta
(Chairman, Non- Executive, Independent Director)

Place : Mumbai

Date : 2nd September, 2011.

CERTIFICATION AND DECLARATION UNDER CLAUSE 49 OF LISTING AGREEMENT

To
The Board of Directors
Indo Bonito Multinational Limited
1011,B Wing,10th Floor ,Jmima Complex ,
Linking Road,Behind Goregaon
Sports Club,Malad (West),
Mumbai-400064

Dear Sirs:

Sub: Certification by the Whole Time Director on financial statements of the Company for the year ended 31st March, 2011 and declaration for affirmation to Code of Conduct of the Company.

I, S. R. Pandian, Executive Director of Indo Bonito Multinational Limited certify that:

(a) I have reviewed financial statements and cash flow statements for the year and that to the best of my knowledge and belief:

i) these statements do not contain any material 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 the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

(c) I accept responsibility for establishing and maintaining the internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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) I have indicated to the Auditors and the Audit Committee:

i) significant changes in internal control over financial reporting during the period;

ii) significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements;

iii) during the year there were no instances of fraud which I have become aware. The management and its employees have a significant role in the Company's internal control system.

Declaration as required under Clause 49 of the Listing Agreement

I hereby confirm that all Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2011.

**Sd/-
S. R. Pandian
Executive Director**

Place : Mumbai

Date : 2nd September, 2011.

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

AUDITORS' REPORT

To the Members of INDO BONITO MULTINATIONAL LTD.
(Formerly Indo Castle Multimedia Ltd)

I have audited the attached Balance Sheet of INDO BONITO MULTINATIONAL LTD. (Formerly Indo Castle Multimedia Ltd), as at 31st March, 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, I have enclosed an annexure on the matters specified in paragraphs 4 & 5 of the said order.

Further to my comments in the Annexure referred to above, I report that:

1. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit;
2. In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
4. In my 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;

On the basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, I report that none of the director is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

5. In my opinion and to the best of my information and according to the explanations given to us the financial accounts give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. in the case of the Profit & Loss Account, of the profit for the year ended on that date; and
 - iii. in the case of cash flow statement, of the cash flows of the company for the year ended on that date.

For S.U.Radhakrishnani & Co
(Chartered Accountants)

S.U.Radhakrishnani
Proprietor
Membership No. 31760

Place : Mumbai

Date : 02nd September, 2011

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

Annexure to the Auditors' Report (Referred to in paragraph (3) of my report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year. In my opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. To the best of my knowledge, no material discrepancies have been noticed on such verification.
- (c) No substantial part of fixed assets, of the company, was disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The company had granted loans to three parties covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2027.67 lacs and the year end balance of the loans granted to such persons is Rs.2027.67 lacs.
- (b) In my opinion and according to information and explanation given to me, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company. The loan to them is secured against financial assets underlying them.
- (c) In respect of such interest free loans granted, repayment of the principal amount is as stipulated.
- (d) The company had taken loan from two parties covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1176.33 lacs and the year end balance of the loans granted to such parties was Rs.1115.84 lacs.
- (e) In my opinion and according to information and explanation given to me, the rate of interest and other terms and conditions for such loans are not prima

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

facie prejudicial to the interest of the company.

- (f) In respect of loans taken, payment of the principal amount is as stipulated and the same are interest free.
- (iv) In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of my audit, no major weakness has been noticed in the internal control in respect of these areas.
- (v) (a) To the best of my knowledge and belief and according to the information and explanations given to me, I am of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In my opinion and according to the information and explanation given to me, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act. 1956 and exceeding the value of rupees five lacs in respect of any party during the year, if any, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) The company has not accepted any deposits from the public hence I do not have anything to comment on that.
- (vii) In my opinion and according to the information and explanation given to me, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) To the best of my knowledge and according to the information given to me, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the company.
- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including, Investor Education and Protection Fund, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it. Subject to delay in payments of income-tax. Provident Fund and ESIC Act is not applicable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, wealth tax, service tax, custom duty, excise duty, cess or any other statutory dues were in arrears, as at 31st March, 2011 for a period of more than six months from the date they become

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

payable. However, Income-Tax dues of Rs. 12.19 lacs, FBT of Rs. 9.32 lacs and Dividend Tax of Rs. 12.61 lacs was overdue.

- (c) According to the records available of the company, there are no dues outstanding of sales tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute except disputed income tax liability of Rs 5.75 crores on account of income tax for AY 2008-09.
- (x) The company has accumulated losses at the end of the financial year and it has incurred cash losses in the current financial year.
- (xi) In my opinion and according to the information and explanations given to me, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders, as of 31st March 2011.
- (xii) According to the information and explanations given to me, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In me opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the company.
- (xiv) (a) In my opinion and according to the information and explanation given to us, in respect of dealing/ trading in shares, securities, debentures and other investments, the company is maintaining proper records of the transactions and contracts and timely entries have been made therein.
(b) The shares, securities, debentures and other investments have been held by the company in its own name.
- (xv) According to the information and explanations given to me, the company had given corporate guarantee for loans taken by group companies from banks or financial institutions for financials assistance of Rs.20 crores in the last year.
- (xvi) The company has not obtained any term loan from banks during the year.
- (xvii) In my opinion and according to the information and explanations given to me, the funds raised by the company on short-term basis have not been used for long-term investments, if any.
- (xviii) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

- (xix) The company has not issued any debentures.
- (xx) The company has not raised any money through public issue during the year.
- (xxi) To the best of my knowledge and belief and according to the information and explanations given to me, no fraud on or by the company has been noticed or reported during the course of my audit. However during the year an enquiry has been initiated by Central Bureau of Investigation which matter is still under investigation. As far as the company is concerned there seems to be no wrong doing or any fraud committed by any of company's employees ,directors or associates .The financial statements carry adequate notes on the issue.

For S.U.Radhakrishnani & Co
(Chartered Accountants)

S.U.Radhakrishnani
Proprietor
Membership No. 31760

Place : Mumbai

Date : 02nd September, 2011

S. U. RADHAKRISHNANI & CO.

Chartered Accountants

AUDITORS' CERTIFICATE

To the Members of INDO BONITO MULTINATIONAL LTD.

(Formerly Indo Castle Multimedia Ltd)

I have examined the compliance of conditions of Corporate Governance by INDO BONITO MULTINATIONAL LTD. (Formerly Indo Castle Multimedia Ltd), for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges in India

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 my opinion and to the best of my information and according to the explanations given to me:

- (i) I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.
- (ii) I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.U.Radhakrishnani & Co
(Chartered Accountants)

S.U.Radhakrishnani
Proprietor
Membership No. 31760

Place : Mumbai

Date : 02nd September, 2011

INDO BONITO MULTINATIONAL LTD
BALANCE SHEET AS ON 31ST MARCH 2011

	Schedule	12 Months 31/03/2011	12 Months 31/03/2010 (Revised)
Source of Funds			
1. Shareholders Funds :			
a) Share Capital	I	249403000	249403000
b) Reserves & Surplus :	II	212016	6618145
		249615016	256021145
2. Deferred Tax Liability		9583966	9583966
3. Loan Funds :			
a) Secured Loans	III	770458994	282038032
b) Unsecured Loans	IV	79660925	284813988
		850119919	566852020
Total Funds Employed		1109318901	832457131

Application of Funds

1. Fixed Assets :	V		
a) Gross Block		233900685	239910803
b) Less : Depreciation		46944102	35540647
c) Net Block		186956583	204370156
d) Capital Work-in-Progress		54464131	93021331
		241420714	297391487
2. Investments	VI	27171756	27171756
3. Current Assets, Loans & Advances :	VII		
a) Inventories		3800822	146780104
b) Sundry Debtors		387817449	669745649
c) Cash & Bank Balances		6887735	38173091
d) Deposits Loans & Advances		528411156	65084268
		926917162	919783112
Less : Current Liabilities & Provisions	VIII	95478958	412629224
Net Current Assets		831438203	507153888
4. Miscellaneous Expenditure (to the extent not written off or adjusted)		647500	740000
5. Profit & Loss Account		8640728	0
Total Assets (Net)		1109318901	832457131

Significant Accounting Policies
Notes forming part of Accounts

As per our report of even date attached **For and on Behalf of the Board**
For S.U.RADHAKRISHNANI & CO
Chartered Accountants

S.U.RADHAKRISHNANI **Subhabrata S Datta** **S R Pandian**
PROPRIETOR **Chairman** **Whole Time Director**
M. No. 31760
Place **Mumbai.**
Date **2nd September, 2011**

INDO BONITO MULTINATIONAL LTD
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Schedule	12 Months 31/03/2011	12 Months 31/03/2010 (Revised)
Income			
Sales/Income from Operations		1268574345	2512580890
Other Income	IX	12586451	10679758
Increase/(Decrease) in Stock	X	(50954689)	(93430837)
Total Income		1230206107	2429829811
Expenditure			
Materials Consumed (including traded goods)		1157052983	2193970445
Administrative, Selling & Distribution Exp	XI	38718723	214450920
Interest & Financial Charges	XII	31557678	10401285
Depreciation		11403455	11007161
Exceptional Items		6520125	
Total Expenditure		1245252964	2429829811
Profit / (Loss) Before Taxation		(15046857)	0
Provision for Taxation-Current		0	0
Provision for Taxation-FBT		0	0
Provision for Taxation-Deferred		0	0
Profit / (Loss) After Taxation		(15046857)	0
Proposed Equity Dividend (for FY 2009-10 @ Rs.0.10 per share)		0	2494030
Dividend Tax @ 16.609 %		0	414233
Add : Balance from earlier years		6406129	9314392
Transferred to Balance Sheet		(8640728)	6406129

Significant Accounting Policies
Notes forming part of Accounts

As per our report of even date attached **For and on Behalf of the Board**
For S.U.RADHAKRISHNANI & CO
Chartered Accountants

S.U.RADHAKRISHNANI **Subhabrata S Datta** **S R Pandian**
PROPRIETOR **Chairman** **Whole Time Director**
M. No. 31760
Place **Mumbai.**
Date **2nd September, 2011**

INDO BONITO MULTINATIONAL LTD

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010

		12 Months	12 Months
		31/03/2011	31/03/2010
Schedule-I	: Share Capital		
	Authorised Share Capital		
	25000000 Equity Shares of Re. 10/- each, fully paid-up. (Previous year 25000000 Equity Shares of Rs.10/- each, fully paid-up)	250000000	250000000
		250000000	250000000
	Issued, Subscribed & Paid-up Capital		
	Equity Share Capital		
	24940300 Equity Shares of Re. 10/- each, fully paid-up. (Previous year 24940300 Equity Shares of Rs.10/- each, fully paid-up)	249403000	249403000
		249403000	249403000
Schedule-II	: Reserve & Surplus		
	General Reserve	212016	212016
	Profit & Loss Account	0	6406129
		212016	6618145
Schedule-III	: Secured Loans		
	Loans from Banks	240600133	279847366
	Other Loans	529858861	2190666
		770458994	282038032

1. Loans from banks include Bill Discounting and Packing Credit limit availed from Bank of India which are secured by first charge on mortgaged fixed assets movable and discounted bills

2. Secured Loans from others include:-

a. Loans secured by first charge on vehicles or other assets acquired against them.

b, Loans secured by investments and financial assets under acquisition from an Asset Reconstruction Company on assignment basis. The security of these loans would be the physical assets underlying financial assets upon acquisition.

c. Advances received in cash/kind from its vendors secured against financial assets due from a related company.

Schedule-IV	: Unsecured Loans		
	From Banks	303953	967784
	Inter Corporate Deposits	22216191	220905423
	Hire Purchase Loan	56890781	62940781
	From Others	250000	
		79660925	284813988

1. Hire Purchase Loan was classified as secured loans upto last year; however, as the party has waived their requirement of charge creation. The same is treated as unsecured loans from this year.

INDO BONITO MULTINATIONAL LTD

Schedule-V : Fixed Assets (At Cost)

Assets	Gross Block			Total as on 31-03-2011	Depreciation			Total as on 31-03-2011	Net Book Value	
	Cost as on 01-04-2010	Additions	Deductions		Balance as on 01-04-2010	Additions	Deductions		As on 01-04-2010	As on 31-03-2011
Land-Advance	15000000	0	15000000	0	0	0	0	0	15000000	0
Land-Freehold	16293557	0	0	16293557	0	0	0	0	16293557	16293557
Land-Leasehold	1506000	0	0	1506000	0	0	0	0	1506000	1506000
Plant&Machinery	186034916	8091257	0	194126173	25410263	8859278	34269541	160624653	159856632	159856632
Computer	11408398	25730	0	11434128	7240530	1724608	8965138	4167868	2468990	2468990
Office Equipment	801163	103726	0	904889	333406	40519	373925	467757	530964	530964
Furniture	3145727	7000	0	3152727	1442801	199347	1642148	1702926	1510579	1510579
Vehicle	5721042	762169	0	6483211	1113647	579703	1693350	4607395	4789861	4789861
Total	239910803	8989882	15000000	233900685	35540647	11403455	0	46944102	204370156	186956583
Previous Year	212976863	26933940	0	239910803	24533486	11007161		35540647	188443377	204370156

INDO BONITO MULTINATIONAL LTD

		12 Months 31/03/2011	12 Months 31/03/2010
Schedule-VI	: Investments (At Cost)		
A.Unquoted Equity Shares:			
	[18339011] Kare Labs P Ltd of Rs.1/- each fully paid-up(PY[96317])	27170756	27170756
	[100] The Bharat Co-Op Bank Ltd (PY [100])	1000	1000
		27171756	27171756

Schedule-VII : Current Assets, Loans and Advances

A) Inventories (At Cost)			
Raw Materials Stock	0	92024593	
Finished Goods Stock	3800822	54755511	
	3800822	146780104	
B) Sundry Debtors (Unsecured & Considered Good)			
More than six months	381907973	59262270	
Others	5909476	610483379	
	387817449	669745649	
C) Cash & Bank Balance			
Cash Balance	303693	3304927	
Bank Balance with Scheduled Banks	6584042	34868164	
	6887735	38173091	
D) Loans & Advances (Unsecured & Considered Good)			
Deposits	1322917	1878000	
Loans & Advances	527088239	63206268	
	528411156	65084268	
	926917162	919783112	

Schedule-VIII : Current Liabilities and Provisions

A) Current Liabilities			
Sundry Creditors	12512170	356699097	
Other Liabilities	48720693	19190002	
	61232863	375889099	
B) Provisions			
Proposed Dividend	0	2494030	
Provision For Taxation	32052642	32052642	
Dividend Tax Payable	1261953	1261953	
Provision For FBT	931500	931500	
	34246095	36740125	
	95478958	412629224	

INDO BONITO MULTINATIONAL LTD

		12 Months 31/03/2011	12 Months 31/03/2010
Schedule-IX	: Other Income		
Miscellaneous Income	892738	966965	
Interest Income	2093713	34031	
Lease Rentals	9600000	9600000	
Export Incentive	0	78762	
	12586451	10679758	

Schedule-X : Increase / (Decrease) in Stock of Finished Goods

Closing Stock	3800822	54755511
Less : Opening Stock	54755511	148186348
	(50954689)	(93430837)

Schedule-XI : Administrative, Selling & Distribution Expenses

Salary, Wages & Other Benefits	15214317	17320321
Rent, Rates & Taxes	1760720	4547779
Insurance Charges	498841	4254340
Printing & Stationery	324054	469849
Postage & Telephone Charges	796678	1173730
Travelling & Conveyance Expenses	1723243	4313094
Professional Fees	3121989	4921448
Auditors Remuneration	100000	100000
Miscellaneous Expenses	3541289	14259301
Power,Fuel and Water	1840242	2079476
Freight/Transportation Charges	2157664	4406181
Selling & Distribution Expenses	7547186	26784617
Bad Debts Written Off	0	129728284
Preliminary Expenses W/off	92500	92500
	38718723	214450920

Schedule-XII : Interest & Financial Expenses

Interest & Bill Discounting Charges, Crystallisation Losses	28024036	9895723
Bank Charges	3533642	505562
	31557678	10401285

As per our report of even date attached
For **S.U.RADHAKRISHNANI & CO**
Chartered Accountants

The foregoing Balance Sheet, P&L A/c &
Schedules are hereby authenticated by us

S.U.RADHAKRISHNANI
PROPRIETOR
M. No. 31760
Place **Mumbai.**
Date **2nd September, 2011**

Subhabrata S Datta
Chairman

S R Pandian
Whole Time
Director

Schedule XIII : (A) SIGNIFICANT ACCOUNTING POLICIES FOLLOWED:

(1) Basis of Preparation of financial statements:-

(i) The financial statements have been prepared under the historical cost convention and in accordance with the generally accepted accounting principles.

(ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

(2) Inflation :

Assets and liabilities are recorded on historical cost to the Company. The costs are not adjusted to reflect the changing value in the purchasing power of money.

(3) Accounting of Income/Expenditure:-

All income and expenditure items having a material bearing on the financial statements are recognized on accrual basis except as stated otherwise. However, Dividend Income if any is accounted for on receipt basis. Sales are inclusive of sales tax and revenue is recognized on accrual basis. Sales are inclusive of service charges. In case of export sales, the bills are discounted and the amount realized in rupees is credited to sales account.

(4) Fixed Assets:-

Fixed Assets have been carried at historical cost, inclusive of incidental expenses, interest, less accumulated depreciation.

(5) Depreciation:-

Depreciation has been provided on Straight Line Method on pro-rate basis at the Rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

(6) Inventories :

i) Finished goods are valued at lower of cost or market price.

ii) Raw materials, stores and spare parts are valued at cost.

iii) Cost of inventory is generally on actual acquisition cost based on FIFO method.

(7) Investments:-

Investment are valued at cost.

(8) Gratuity/Retirement Benefits:-

The Company accounts for gratuity and leave encashment on cash basis. Also non of the employees have completed 5 years of service.

(9) **Miscellaneous Expenditure:-**

Preliminary expenses, public issue expenses and expenses for increasing the Authorised Capital is written off over a period of ten years.

(10) **Deferred Tax:-**

The deferred tax during the year for timing difference is accounted using tax rates that have been enacted. The net difference arising there on is debited to Profit & Loss A/c.

(B) **NOTES ON ACCOUNTS:-**

(1) Previous year's figures are regrouped, recast and rearranged wherever necessary to make them comparable with those of the current year.

(2) In view of the emergent special circumstances the accounts for the year ended 31st March 2009 and 31st March 2010 have been revised as it was statutorily not possible to revise the accounts for the year ending 31.03.2008. These special circumstances were as a result of having to net write off of certain debtor accounts related to association under agreements with public-sector trading houses. The loss on account of non recovery from the Company's PSU debtor on account of alleged non-performance by the Company relating to the debtor's dues from its overseas buyers had to be booked by this Company in the prior years which however had to be restricted to the extent(Rs.7.42 crores) of available profits considering the dividend distribution in these years . A further balance loss on this account of Rs 65.20 lacs has been booked in this financial year as an exceptional item. The abovesaid losses on account of non-recoverable debtors are in addition to other non -recoverable debtors that have been assigned to erstwhile promoters of Bonito Impex Pvt Ltd and earlier suppliers of goods to Bonito Impex Pvt Ltd in pursuance of indemnification agreements with them at the time of their amalgamation into this Company . Such assignment is quantified to the tune of Rs 25.48 crores and has been assigned at par to various parties.

The Company started large scale business operations was after merger of Bonito Impex Pvt Ltd into this Company. The *former* Bonito Impex Pvt Ltd was functioning as an Associate/ Shipper to the exports being done by some Public Sector Trading Houses and accordingly this sales turnover was reflected as deemed exports in our books and Annual Reports. Consequent to the said merger all the assets and liabilities - including the abovesaid debtors accounts that resulted from the sales turnover (with these PSU Trading Houses) between the appointed and effective date and, also from the sales turnover of *former* Bonito Impex Pvt. Ltd. with the said PSUs in the period prior to the appointed date; had been taken over on the books of this Company . This takeover of the said debtors accounts and the current liabilities was obviously subjected to appropriate indemnification executed by the management of the *former* Bonito Impex Pvt.Ltd.

This Company , subsequent to the merger, has got involved into legal proceedings including one before an Arbitral Tribunal in relation to the abovesaid transactions with the public sector undertakings. In September 2010, during these legal proceedings it has become apparent that the accounts of the company will have to be revised to bring out the true and fair picture of the Company's finances..This became particularly necessary after the company had to face investigations by the concerned agencies causing the attendant bad publicity and the resultant badly disrupted operations to deeply dent the Company's performance in the second half of the financial year 2010-11. The Company had to even put on back burner after the banks/ lenders suspended financial assistance to it. The loss on account of shelving the project is still to be ascertained and not yet booked to the Profit & Loss account.

- (3) Balances of Sundry Debtors, Sundry Creditors are subject to confirmation, reconciliation and consequent adjustments if any.
- (4) In the opinion of the Board, unless otherwise stated in the Balance Sheet and schedules attached thereto, the current assets and loans and advances as stated in the Balance Sheet are approximately of the value realizable in the ordinary course of business and provision for all known liabilities for the year has been made in the books of account of the Company.
- (5) Additional information as required under Para-III of Part II of Schedule VI to the Companies Act, 1956 (as certified by the directors and relied by the Auditors).

a) **Particulars of Capacity :**

- 1) Licensed Capacity : 285000MT – Dry Mix Plaster – Leased Unit
- 2) Installed Capacity : 285000MT – Dry Mix Plaster – Leased Unit
- 3) Licensed Capacity : Not Applicable
- 4) Installed Capacity : 40000 Blocks Or 80000 Pavers per day based on three ship workings – Bangalore – Leased Unit

b) **Quantitative details for the year are as under :**

During the current year company has dealt in wide range of products i.e. ceramic tiles, building materials, and gold, diamond, jewellery, wooden floorings, blocks and pavers, dry-mix plasters. Hence quantitative information is not provided in the current year. However, in respect of gold jewellery the quantitative information is given in quantitative schedule.

- c) Value of import calculated on CIF basis by the Company during the year in respect of raw materials, trading goods, components, spare parts and capital

goods Rs.2,64,751 (Previous year 4412920).

- d) Value of all imported/indigenous raw materials, traded goods, stores and spare parts and components consumed (including through canalized agencies) :
 - i) Raw Materials Rs. 11,21,94,431-(Previous year Rs. 17,29,65,123/)
 - ii) Stores & Components – Nil (Previous year Rs. Nil)
 - iii) Traded Goods Rs. 111,84,99,079/- (Previous year 211,44,36,159)
- e) Purchase of traded goods during the year Rs.106,75,44,390/-(Previous year Rs. 202,10,05,322)
- f) Expenditure/Advances in foreign currency Rs.13,98,081 /- (Previous year Rs 19,79,850)
- g) FOB value of deemed Export Rs 12,01,28,660 /- (Previous year Rs. 142,92,13,373 /-) zzzz

(6) **Contingent liabilities include**

- a) Contractual obligations of the company as per the agreements with its sundry debtors Rs Nil (Previous Year Rs 62.23 crores)
 - b) Disputed Income Tax Demand Rs.5.75 crores (Previous Year Rs4.09 crores).
 - c) Rs 53 crores in respect of claims not acknowledged as debts.
- (7) There are no dues outstanding for more than 30 days in respect of transactions with small scale industrial undertakings.

(8) **Deferred Taxation :**

The company has provided for deferred tax Liability of Rs.NIL (Previous Year Rs NIL) .As there are losses incurred during the current year ,no deferred tax asset is recognized on a conservative basis.

- (9) Interest and financial charges include bank charges ,service charges ,and bill discounting charges payable to banks and interest on unsecured loans, car loans and interest on packing credit.

(10) **Disclosure as required by the AS-18 on Related Party disclosure:**

- I Related Party Disclosures, as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :

Subsidiary Companies where control exists Nil

Group Companies where common control exists Scarlet International Pvt Ltd
Kare Labs Pvt Ltd
Nestler Commodities Ltd.

Relatives of Key Management Personnel Nil

- II The Company has entered into transactions with various group companies where common control exists and other related parties as follows :

	Nature of transactions	01/04/2010 To 31/03/2011 Rs In Lacs
Group companies where common control exists	Purchase of Goods	5841.55
	Sale of Goods	1415.32
	Loans given and secured by financial assets	1945.02
	Balance outstanding at the year end	
	Creditors	
	Loan Given	2027.67
	Investments	271.71
	Unsecured Loans	568.91
	Secured Loans	546.93

Key Management Personnel **Remuneration**

Sumuna Rajan Pandian 2.75

(11) **Segment Information for the year ended 31st March, 2011**

The Company has dealt mainly and substantially in the segment of Gold Jewellery Business, which is its primary segment. Hence, information required by AS-17 is not applicable in the opinion of the Board, however for better disclosure the company has analyzed its activities in two segments viz. gold jewellery business and other business.

(A) Segment Revenue Results:	Rs. in Lacs
Gold Jewellery Business	11724.85
Other Business	1086.76
Total	12811.61
Less : Inter Segment Revenue	0.00
Net Sales/Income from Operations	12811.61
Segment results before net finance charges, exceptional items and tax:	
Gold Jewellery Business	177.65
Other Business	52.67
Unallocated income/(expenditure)	0.00
Total Segment results before net finance charges, exceptional items and tax:	230.32
Less : Net Finance Charges	315.58
Profit/(Loss) before exceptional items & tax	-85.26
Exceptional Items	65.20
Profit/(Loss) before tax	-150.46
Less : Tax Expense	0.00
Net Profit (+) / Loss (-)	150.46

(B) Segment Assets:	Rs. in Lacs
Gold Jewellery Business	4119.70
Other Business	5915.44
Segment Total	10035.15
Unallocated Corporate Assets	965.16
Total Assets	11000.31

(C) Segment Liabilities:	Rs. in Lacs
Gold Jewellery Business	2567.54
Other Business	5709.00
Segment Total	8276.54
Unallocated Corporate Liabilities	320.50
Total Liabilities	8597.04

(D) Segment Capital Employed:	Rs. in Lacs
Gold Jewellery Business	8.99
Other Business	(454.66)
Unallocated income/(expenditure)	0.00
Total	(445.67)

(E) Depreciation/Impairment:	Rs. in Lacs
Gold Jewellery Business	25.44
Other Business	88.59
Segment Total	114.03

(12) Additional information pursuant to part II of schedule VI to the Companies Act, 1956:-

		2009-10	2008-09
(i)	Payment to Directors:- Directors Remuneration	Rs. 2,75,000	8,55,000
(ii)	Payment To Auditors:- Audit Fees	Rs. 1,00,000	1,00,000
(iii)	Other information are either NIL or Not Applicable.		

(13)	Earning Per Share (in Rs.)		
	(Nominal Value of Rs.10/- per share)	2010-11	2009-10
	Basic Earning per share (Rs.)	-0.60	NIL
	Diluted Earning per share (Rs.)	-0.60	NIL

(14) Unclaimed dividends as on 31/03/2011 for FY 2007-08 is Rs 106113 (1,06,373), for FY 2008-09 Rs 52650 (Rs.55,216) and for FY 2009-10 Rs 478934 (nil) .

(15) A substantial part & loan & advance comprise of financial assets. The security of these loans would be the physical assets underlying them upon acquisition.

INDO BONITO MULTINATIONAL LTD. (Formerly Indo Castle Multimedia**Cash Flow Statement**

(Pursuant to clause 32 of the Listing Agreement with the Stock Exchange)

Year ended 31st March, 2011 (Amount in Rs.)

A)	Cash flow from operating activities Net profit / (loss) before taxes Adjustment for : Depreciation Preliminary expenses written off Interest Income Loss on sale of investments Interest Paid Operating profit/(loss) before working capital changes (Increase) / decrease in inventory (Increase) / decrease in trade & other receivables Increase / (decrease) in trade & other payables Cash generated from operations Direct taxes paid Net cash from operating activities – (A)
B)	Cash flow from investing activities Purchase of fixed assets including CWIP Interest Income (Purchase)/Sale of investments (Net) Sale of fixed assets Movement in other current assets Dividend received Net cash (used in) / from investing activities – (B)
C)	Cash flow from financing activities Equity share capital issue Share application money Increase/(decrease) in long term & other borrowings Interest paid Preliminary Expenses Dividend paid/written off Net cash flow (used in) / from financing activities – (C)
	Net increase/(decrease) in cash and cash equivalents (A+B+C) Cash and cash equivalents as at the beginning of the year Cash and cash equivalents as at the end of the year

Notes:

- 1 The above statement has been prepared on the indirect method.
- 2 Proceeds from long term and other borrowings are shown at net off re
- 3 Cash and cash equivalents represent cash and bank balances only

**As per our report of even date attached
For S.U.RADHAKRISHNANI & CO
Chartered Accountants**

**S.U.RADHAKRISHNANI
PROPRIETOR
Membership No. 031760
Place Mumbai.
Date 2nd September,2011**

Ltd)

31/03/2011	31/03/2010
-15046857.00	0.00
11403455.00	11007161.00
92500.00	92500.00
-2093713.00	-34031.00
0.00	0.00
31557678.00	10401285.00
25913063.00	21466915.00
142979282.00	3206303.00
281928200.00	-449896009.00
-314656235.76	217970674.00
136164309.24	-207252117.00
0.00	-3527500.00
136164309.24	-210779617.00
44567317.55	-68824375.00
2093713.00	34031.00
0.00	13585378.00
0.00	0.00
-463326887.64	7241700.00
0.00	0.00
-416665857.09	-47963266.00
0.00	0.00
0.00	0.00
283267898.65	298828937.00
-31557678.00	-10401285.00
0.00	0.00
-2494030.00	-2494030.00
249216190.65	285933622.00
-31285357.20	27190739.00
38173091.00	10982352.00
6887735.00	38173091.00

payments.

**The foregoing Balance Sheet, P&L A/c &
Schedules are hereby authenticated by us**

**Subhabrata S Datta
Chairman**

**S R Pandian
Whole Time Director**

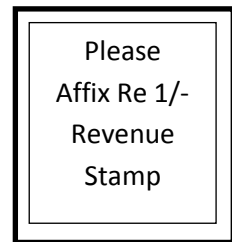
INDO BONITO MULTINATIONAL LIMITED
1011, B Wing, 11th Floor,, I. J. MIMA Complex,
Link Road, Behind Goregaon
Sports Club, Malad West, Mumbai- 400064

PROXY FORM

I/WE.....
being a Member / Members of Indo Bonito Multinational Limited hereby appoint Mr./Mrs./Miss
.....of
..... in the district of
..... or failing him/here Mr./Mrs./Miss.....
..... of in the district of
..... as my/ our proxy to vote for me/us on my/our behalf at the
sixteenth Annual General Meeting of the Company to be held on Friday, the 30th September 2011
at 04.30 pm at Gokul Anand Hotels Pvt Ltd, Shiv Vallabh Road, Western Express Highway, Ashok
Van, Dahisar (E), Mumbai-400068.

Regd. Folio No. _____

No. of Shares held _____



(Signature of Members/ as per specimen signature on Company's record)

Note: Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the Registered Office of the Company not less than 48 Hours before the time of commencement of the meeting.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Member/Proxy.....
(First) (Middle) (Surname)

I hereby record my presence at the Seventeenth Annual General Meeting of the Company held on Friday, the 30th September 2011 at 04.30 pm at Gokul Anand Hotels Pvt Ltd, Shiv Vallabh Road, Western Express Highway, Ashok Van, Dahisar (E), Mumbai-400068.

Regd. Folio No. _____

No. of Shares held _____

(Signature of Member/Proxy)