

*18<sup>TH</sup> ANNUAL REPORT*  
*(2011-2012)*

*INDO BONITO*  
*MULTINATIONAL*  
*LIMITED*

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Subhabrata Sudhansu Datta  
(Non-Executive, Independent Chairman)

Mr. Vinayak Gopal Borikar  
(Non-Executive, Independent Director)

Mr. Sumuna Rajan Pandian  
(Executive Director)

Mr. Marimuthu Rajangam  
(Executive Director)

Mr. Anand C. Raval  
(Executive Director)

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### REGISTERED OFFICE

A 729, TTC Industrial Area,  
Koparkhairne, Navi Mumbai 400 705

### SHARE TRANSFER AGENT

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

### AUDITORS

**M/s. S. U. Radhakrishnani & Co.,**  
Chartered Accountants,  
6A, Amarjeevan 41, Saint Martin's Road,  
Near Bandra Police Station, Bandra (W),  
Mumbai:-400 050

### BANKERS

Bank of India  
Union Bank of India  
Indusind Bank  
Citi Bank Limited  
State Bank of India  
HDFC Bank Limited

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the members of **INDO BONITO MULTINATIONAL LIMITED** will be held at Office No. B-121, Balaji Bhavan, Plot No. 42A, Sector- 11, CBD Belapur, Navi Mumbai 400 614 on **Friday, the 28<sup>th</sup> Day of September, 2012 at 1.30 P.M.** to transact the following businesses:

**ORDINARY BUSINESSES:**

1. To receive and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Statement of Profit and Loss 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. Vinayak Borikar, who retires by rotation and, being, eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** M/s. S. U. Radhakrishanani & Co., Chartered Accountants, be and are hereby 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 remuneration as may be determined by the Board of Directors of the Company.”

**SPECIAL BUSINESSES:**

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

**“RESOLVED THAT** Mr. Anand C. Raval, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 3<sup>rd</sup> March, 2012 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (‘the Act’) and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Sections 94 and other applicable provisions, if any of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from present level of Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) to Rs.75,00,00,000/- (Rupees Seventy Five Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lacs) Equity Shares of Rs.10/- each (Rupees Ten Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts and deeds as may be required to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to Section 16 and other applicable provisions of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be deleted and substituted by the following:

*V. The Authorized Share Capital of the Company is Rs.75,00,00,000/- (Rupees Seventy Five Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lacs ) Equity Shares of Rs.10/-(Rupees Ten Only) each.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts and deeds as may be required to give effect to this resolution.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the stock Exchanges where the shares of the Company are listed and subject to any approval, consent, permission and / or sanction of the appropriate authorities (hereinafter collectively referred to as “the appropriate authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as “the requisite approvals”), and which may be agreed to by the Board of Directors of the company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized to create, offer, issue and allot on a preferential basis upto 3,17,00,000 (Three Crores Seventeen Lacs Only) equity shares of Rs. 10/- each to non promoters as mentioned in the explanatory statement, at an issue price of Rs. 15/- per equity share including a premium of Rs 5/- per share as determined in accordance with the preferential issue guidelines prescribed under the SEBI ( Issue of Capital and Disclosure Requirements ) Regulations, 2009.”

**“RESOLVED FURTHER THAT** the pricing of the equity shares to be allotted shall be determined in accordance with the SEBI's Preferential Issue guidelines with reference to the 'Relevant Date'.

(The 'Relevant Date' for the purpose of pricing of the resultant share is 27.08.2012 i.e. 30 days prior to the date of ensuing Annual General Meeting in terms of Section 81(1A) of the Companies Act, 1956 (AGM to be held on 28.09.2012).)

**“RESOLVED FURTHER THAT** the equity shares to be issued and allotted in terms of this resolution shall rank pari- passu in all respects with the existing equity shares of the Company.”

**“RESOLVED FURTHER THAT** the equity shares allotted in terms of this resolution shall be subject to lock in requirements as per the provisions of Chapter VI of SEBI (ICDR) Regulations 2009.”

**“RESOLVED FURTHER THAT** the Company do apply for listing of the new equity shares to the Stock Exchanges where the Company is listed.

**“RESOLVED FURTHER THAT** the Company do make an application to the Depositories for admission of the new equity shares.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the confirmation of the Registrar of Companies, III A) of the Memorandum of Association of the Company be altered by the insertion of the following new sub-clause 1 C) after the existing sub-clause 1 B):—

*1 C).” To carry on the business of manufacturing, assembling, trading, buying, selling, importing, exporting or otherwise dealing in water purification systems and water treatment technologies consisting of water purifier machines, water treatment and purification plants, instruments, devices, spares, accessories, tools or other articles or goods relating to water purification and water treatment technologies and for that purpose to enter into agreements with government, semi-governments, municipal and local authorities or any persons or Company, and also to apply for, secure, acquire, obtain from such government, semi-governments, municipal and local authorities, persons or Company any right, privileges, powers, authority, charters, contracts, licences, concessions, grants, decrees, rights.”*

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard.”

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

**Director**

Date 1<sup>st</sup> September, 2012

Place: - Mumbai

**Registered Office:**

A 729, TTC Industrial Area,  
Koparkhairne, Navi Mumbai 400705

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**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THEN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. **A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.**
2. Corporate members are requested to send duly certified copy of the Board of Directors resolution/power of attorney authorising their representative to attend and vote at the annual general meeting.
3. Information regarding particulars of directors to be appointed and the directors seeking reappointment requiring disclosure in the terms of the listing agreement and the explanatory statement pursuant to Section 173 of the Companies Act 1956, are annexed hereto. The directorships held by the directors considered for the purpose of disclosure do not include the directorships held in private Companies, foreign companies and companies under Section 25 of the Companies Act. The committee chairmanship/memberships considered for the purposes of disclosure are those prescribed under clause 49(1)(C) of the listing agreement viz. Audit Committee and Shareholders/Investor Grievance Committee of the Indian public Company.
4. As a part of its green initiatives in corporate governance the Ministry of Corporate Affairs vide its Circular No. 17/2011 and 18/2011 dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 respectively has allowed the companies to send official communication and documents to its shareholders through email. Accordingly in cases where the shareholders have registered their email id with their depository participant/ Companies Registrar and share transfer agent, the Company has decided to henceforth send all documents/communications including notice of general meetings, annual reports, dividend intimations, if any etc., through email. For other cases, the Company will continue to send printed annual reports as usual.

Shareholders are requested to update their preferred email ids with the Company/ depository participants which will be used for the purpose of sending the official documents through e-mail.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from 20<sup>th</sup> September, 2012 to 27<sup>th</sup> September, 2012 (both days inclusive) in the terms of the provisions of the Companies Act, 1956 and the listing agreement for the purpose of the annual general meeting and determining the names of the shareholders eligible for dividend on equity shares, if declared at the meeting.

6. The Annual Reports will also be available on the website of the Company [www.indobonito.com](http://www.indobonito.com) in the investor section.
7. Shareholders having any question on financial statements or any agenda item proposed in the notice of annual general meeting are requested to send their queries at least ten days prior to the annual general meeting of the Company at its registered office to enable the Company to collect the relevant information.
8. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Compliance Officer of the Company at least seven days in advance of the meeting so that the information required may be made readily available at the meeting.
9. Shareholders who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address or updation thereof to the Company's Registrar and Share Transfer Agent. Shareholders whose shareholding is in electronic format are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective depository participant.
10. 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.
11. Statutory registers and documents referred to in the notice and explanatory statement are open for inspection at the Registered office of the Company on all working days (except Sunday and Public Holiday) between 11.00 a.m. and 1.00 p.m. upto the date of annual general meeting and will also be available for inspection at the meeting.
12. Shareholders/proxies are requested to bring duly filled admission/attendance slips sent herewith along with the copies of annual reports at the meeting

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

**Director**

Date 1<sup>st</sup> September, 2012

Place: - Mumbai

**Registered Office:**

A 729, TTC Industrial Area,  
Koparkhairne, Navi Mumbai 400705

**PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO PROVISIONS OF CLAUSE 49 OF THE LISTING AGREEMENT:**

<b>Name of Director</b>	<b>Mr. Vinayak Borikar</b>	<b>Mr. Anand C. Raval</b>
Date of Birth	19 <sup>th</sup> June, 1954	17 <sup>th</sup> September, 1973
Date of initial Appointment	1 <sup>st</sup> October, 2010	3 <sup>rd</sup> March, 2012
Expertise in specific functional areas	Banking Sector	Business Administration
Qualifications	B.Com., CAIIB	Masters in Business Administration
Directorships held in other Public Companies (excluding Foreign Companies, Private Companies and Section 25 Companies).	Nil	Nil
Memberships/ Chairmanships of committees (Audit Committee and Shareholders Grievance Committee) across other Public Companies.	Nil	Nil
Shareholdings in the Company	Nil	Nil

**Note:-**

The Directorships held by Directors as mentioned above, do not include Directorships of Foreign companies, Section 25 companies and Private Limited Companies. Further, pursuant to Clause 49 of the Listing Agreement, only two committees viz. Audit Committee and Shareholders/Investors Grievance Committee have been considered.



**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 4**

Mr. Anand C. Raval was appointed as an Additional Director of the Company with effect from 3<sup>rd</sup> March, 2012 and pursuant to the provision of Section 260 of the Companies Act, 1956, holds office as an Additional Director upto the date of ensuing Annual General Meeting. The Company has received a notice along with requisite deposit under Section 257 of the Act from a shareholder proposing the candidature of Mr. Anand C. Raval for the office of Director of the Company.

Brief profile of Mr. Anand C. Raval is given elsewhere in this notice.

Your Directors recommends his appointment as a Director of the Company.

**ITEM NO. 5 & 6**

The present authorized share capital of the company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs.10/-each (Rupees Ten Only).

The Board of Directors has decided to issue and allot Equity shares on preferential basis to it's secured creditors in lieu of payments to be made to them, which shall be by way of conversion of their unsecured loan.

Therefore the Board proposes to increase the present authorized share capital of the Company to Rs. 75,00,00,000/- (Rupees Seventy Five Crores Only) divided into 7,50,00,000 ( Seven Crores Fifty Lacs ) Equity Shares of Rs.10/-each (Rupees Ten Only).

As per the provision of section 94 of the Companies Act, 1956 and other applicable provisions, if any, the company can increase its present share capital subject to the approval of members by ordinary resolution in general meeting.

Further the above said increase in Authorized Share Capital shall also result in change of Capital clause in the Memorandum of Association of the Company; accordingly as per the provision of section 16 of the Companies Act, 1956, approval of members is required by ordinary resolution in the general meeting.

Therefore the Board of directors recommends the resolutions for your approval at item no 5 and 6 of the accompanying notice.

None of the director is concerned/interested in the resolution at item no 5 & 6.

**ITEM NO. 7**

**i) Objects of the preferential issue**

The Company management is considering the option of issuing the shares to it's secured creditors in lieu of payments to be made to them which are aggregating to Rs. 47,55,00,000/- (Rupees Forty Seven crores fifty lacs only) which shall be by way of conversion of their unsecured loan as per details mentioned below

Name of allottees	Amount of secured loan to be used for proposed preferential issue of equity shares (Rs.)
SN Properties Private Ltd	81,000,000
NM Properties Private Ltd	81,000,000
Premier Realty Private Ltd	81,000,000
Vesta India Ltd	121,500,000
Glamour India Private Ltd	90,000,000
Kool Acres Private Limited	1,50,00,000
Mr. Ganeshlal A Kataria	375,000
Mr. Subramanya Kusnur	750,000
Mr. Sathya Rao	750,000
Mr. Vijay Gokhale	225,000
Mr. Manish Atmaramani	750,000
Mr. Subhash Sharma	3,000,000
Mr. Sanchit Tatkare	1,50,000
<b>Total</b>	<b>475,500,000</b>

The offer, issue and allotment of 3,17,00,000 (Three Crores Seventeen Lacs Only) equity shares of Rs. 10/- each of the Company as envisaged under the proposed Special Resolutions at Item no. 7 of the Notice shall be made in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations").

Copy of the certificate from M/s. S. U. Radhakrishanani & Co, Chartered Accountants, the Statutory Auditors of the Company, certifying that the issue of equity shares is made in accordance with the ICDR Regulations shall be placed before the Annual General Meeting.

**ii) Proposal of the Promoters / Directors / Key management persons to subscribe to the offer**

The above stated allottees have supplied/ advanced their goods/ services/ money on security basis, at the request of the Company. Now, due to non-availability of liquid funds with the Company, to the extent of all such repayments, the Company management is considering the proposal to convert the amount due to it's secured creditors into Equity at an agreeable price. For such conversion of their loans into equity on preferential allotment basis, all the above stated secured creditors have agreed for which shall be in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, including any statutory modification or reenactment thereof for the time being in force:

**iii) Change in control:**

The allotment would not result in any change in control over the company or the management of affairs of the company.

iv) Lock in - period:-

The equity shares to be allotted to the proposed non-promoter allottees under the proposed offering shall be subject to lock- in for a period of one year from the date of allotment of Equity shares, as prescribed under the SEBI (ICDR) Regulations 2009.

Further, the entire pre- allotment shareholding of non-promoter allottees, if any, shall be lock-in upto a period of six months from the date of relevant date.

v) Identity of proposed allottees and their pre & post issue shareholdings:-

Shareholding Pattern before and after the proposed issue of shares on preferential basis (as envisaged under the proposed Special Resolutions at Item no. 7 of the Notice) based on the shareholding pattern as on 24<sup>th</sup> August, 2012 is as follows:

Sr. No	Shareholding Pattern	Before issue of Equity Shares		After issue of Equity Shares	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
<b>A</b>	<b>Category</b>				
	<b>Promoter and promoter group</b>				
1	Indian	8,134,500	32.62%	8,134,500	14.36%
2	Foreign	-	-	-	-
	<b>Sub Total - A (1+2)</b>	<b>8,134,500</b>	<b>32.62%</b>	<b>8,134,500</b>	<b>14.36%</b>
<b>B</b>	<b>Public Shareholding</b>				
1	Institutions	-	-	-	-
2	<b>Non - Institutions</b>				
<b>A</b>	<b>Body Corporate</b>				
	<i>SN Properties Private Ltd</i>	-	-	5,400,000	9.54%
	<i>NM Properties Private Ltd</i>	-	-	5,400,000	9.54%
	<i>Premier Realty Private Ltd</i>	-	-	5,400,000	9.54%
	<i>Vesta India Limited</i>	-	-	8,100,000	14%
	<i>Glamour India Private Ltd</i>	-	-	6,000,000	10.59%
	<i>Kool Acres Private Ltd.</i>	-	-	1,000,000	1.77%
	Other Body Corporate	5,410,396	21.69%	5,410,396	9.55%

B	<b>Individuals and Others</b>				
	Mr. Ganeshlal A Kataria	-	-	25,000	0.04%
	Mr. Subramanya Kusnur	-	-	50,000	0.08%
	Mr. Sathya Rao	-	-	50,000	0.08%
	Mr. Vijay Gokhale	-	-	15,000	0.03%
	Mr. Manish Atmaramani	-	-	50,000	0.08%
	Mr. Subhash Sharma	-	-	200,000	0.35%
	Mr. Sanchit Tatkare	-	-	10,000	0.02%
	<b>Other Individuals</b>				
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	4,332,476	17.37%	4,332,476	7.65%
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	6,995,515	28.05%	6,995,515	12.35%
	NRI-Non-Repatriable	5451	0.01%	5,451	0.01%
	NRI- Repatriable	61,962	0.25%	61,962	0.11%
	<b>Sub-Total - B (1+2)</b>	<b>16,805,800</b>	<b>67.38%</b>	<b>48,505,800</b>	<b>85.64%</b>
	<b>GRAND TOTAL (A+B)</b>	<b>24,940,300</b>	<b>100.00</b>	<b>56,640,300</b>	<b>100.00</b>

**Notes:**

1. The above Shareholding Pattern is prepared and is contingent on and subject to assuming the full allotment up to approved number of equity shares.
2. The proposed preferential allotment will not result in any change in the management control. Voting right shall change according to the change in shareholding pattern mentioned above.

**vi) Proposed time for allotment of equity shares**

The allotment of equity shares as proposed under Special Resolution as set out at item no.7 of the Notice will be completed within the period of fifteen days from the date of passing of the resolution at the Annual General Meeting to be held on 28<sup>th</sup> September 2012 in accordance with the provisions of ICDR Regulations, subject to necessary approval from stock exchange or such other authorities, as may be required.

## vii) Identity and percentage of post Preferential Issue capital held by proposed allottees

The equity shares on preferential basis are proposed to be issued to the following persons and assuming that the allottees apply for the allotment of equity shares to the extent of their full entitlement, the percentage of post holding of the proposed allottees in the Company would be as under :-

Name of proposed allottee	Category	Before issue of Equity Shares		After issue of Equity Shares	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
SN Properties Private Ltd.	Indian Corporate Body	-	-	5,400,000	9.54%
NM Properties Private Ltd.	Indian Corporate Body	-	-	5,400,000	9.54%
Premier Realty Private Ltd.	Indian Corporate Body	-	-	5,400,000	9.54%
Vesta India Ltd.	Indian Corporate Body	-	-	8,100,000	14%
Glamour India Private Ltd	Indian Corporate Body	-	-	6,000,000	10.59%
Kool Acres Private Ltd.	Indian Corporate Body	-	-	1,000,000	1.77%
1.Mr. Ganeshlal A Kataria	Individual	-	-	25,000	0.04%
Mr. Subramanya Kusnur	Individual	-	-	50,000	0.08%
Mr. Sathya Rao	Individual	-	-	50,000	0.08%
Mr. Vijay Gokhale	Individual	-	-	15,000	0.03%
Mr. Manish Atmaramani	Individual	-	-	50,000	0.08%
Mr. Subhash Sharma	Individual	-	-	200,000	0.35%
Mr. Sanchit Tatkare	Individual	-	-	10,000	0.02%

The proposed resolutions at item no. 7 to the notice is resolution conferring authority on the Board of Directors to cover all the present and future contingencies and corporate requirements in terms of Section 81(1A) of the Companies Act, 1956 and the listing agreement entered into with Stock Exchange, which requires that new shares are first to be offered on pro-rata basis to the existing shareholders of the Company, unless the shareholders at a General Meeting decides otherwise by passing Special

Resolution. Accordingly, consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the Listing Agreement executed by the Company with the Stock Exchange where its shares are listed.

A copy of the Auditors' Certificate certifying that the issue of the equity shares is being made in accordance with the requirements contained in the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 will be available for inspection by the members of the Company at its Registered Office between 11.00 a.m. to 1.00 P.M. on any working day up to the date of the ensuing Annual General Meeting of the Company and will also be laid before the Annual General Meeting of the Company.

The Board recommends the Special Resolution for your approval as set out at item nos. 7 of the notice.

None of the Directors of the Company are deemed to be concerned or interested in the said resolutions.

#### **ITEM NO. 8**

The Board of directors of the Company would like to diversify the activities of the Company connected with manufacturing, assembling, trading, buying, selling, importing, exporting and dealing in water purification systems and water treatment technologies consisting of water purifier machines, water treatment and purification plants, instruments, devices, spares, accessories, tools or other articles or goods relating to water purification and water treatment technologies, in order to optimize the facilities of the Company.

The present main objects clause of the Memorandum of Association of the Company is not covering the proposed areas, which may be considered in future by the Company for diversification, etc. Hence, it is desirable to suitably amend the existing main Object Clause of the Memorandum of Association of the Company, as fully detailed in the resolution. The amendment shall be effective upon the registration of the resolution with the Registrar of Companies.

The draft copy of the Memorandum of Association of the Company is available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 P.M. on any working day (Excluding Sunday and public holiday) up to the date of the ensuing Annual General Meeting of the Company.

The Board recommends the adoption of the special resolution.

None of the Directors of the company is concerned or interested in the resolution.

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

**Director**

Date 1<sup>st</sup> September, 2012

Place: - Mumbai

**Registered Office:**

A 729, TTC Industrial Area,  
Koparkhairne, Navi Mumbai 400705

## Directors' Report

To,  
The Shareholders,

Your Directors have pleasure in presenting to you this 18<sup>th</sup> Annual Report of your Company together with the Audited Accounts for the Financial Year ended on 31<sup>st</sup> March, 2012.

### Financial Results

Your Company's financial performance during the year has been encouraging and summarized below:

PARTICULARS	For Year ended 31 <sup>st</sup> March, 2012	For Year ended 31 <sup>st</sup> March, 2011
<b><u>REVENUE FROM OPERATIONS</u></b>		
Revenue from Operation	55,880,287	1,268,574,345
Other Income	3,470,000	12,586,451
<b>TOTAL REVENUE</b>	<b>59,350,287</b>	<b>1,281,160,796</b>
<b><u>EXPENSES:</u></b>		
Cost of Material Consumed	-	112,194,431
Purchase of Stock in Trade	46,722,903	1,044,858,552
Changes in Inventoyr of Finished Goods	84,125	50,954,689
Work in Progress and Stock in Trade	-	-
Employee Benefit Expenses	4,171,356	15,214,317
Finance Costs	45,074,970	31,557,678
Depreciation and Amortization Expenses	12,027,852	11,495,955
Other Expenses	5,195,186	23,411,906
<b>TOTAL EXPENSES</b>	<b>113,276,392</b>	<b>1,289,687,528</b>
<b><u>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS AND TAX</u></b>	<b>(53,926,105)</b>	<b>(8,526,732)</b>
Exceptional Items	25,346,418	6,520,125
<b><u>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</u></b>	<b>(79,272,523)</b>	<b>(15,046,857)</b>
Extraordinary Items	-	-
<b><u>PROFIT BEFORE TAX</u></b>	<b>(79,272,523)</b>	<b>(15,046,857)</b>
<b><u>TAX EXPENSE</u></b>		
Current Tax	-	-
Earlier Year Tax	-	-
Deferred Tax	-	-
<b><u>PROFIT (LOSS) FOR THE PERIOD</u></b>	<b>(79,272,523)</b>	<b>(15,046,856)</b>

## Review of Operations

During the year under review, the Company's Net Income from operations stood at Rs. 55,880,287/- as compared to Rs. 1,268,574,345 /-in the previous year. Loss before taxation for the year under review stood at Rs. (79,272,523)/- against Rs. (15,046,857)/- in the previous year.

## Dividend

Keeping in mind the capital requirement for future growth of the Company and to conserve higher resources for operations of the Company, your Directors do not recommend dividend for the Financial Year ended 31<sup>st</sup> March, 2012.

## Share Capital

The Authorised Share capital of the Company remains unchanged during the Financial Year under review.

However, the Company management is proposing to increase the present authorized share capital of the Company to Rs. 75,00,00,000/- (Rupees Seventy Five Crores Only) divided into 7,50,00,000 ( Seven Crores Fifty Lacs ) Equity Shares of Rs.10/-each (Rupees Ten Only) by passing requisite resolutions at the ensuing Annual General Meeting of the members of the Company.

## Public Deposits

During the year under review, the Company has not accepted/renewed any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956.

## Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Annual Report.

## Directors

During the current year, Mr. Anand C. Raval was appointed as Additional Directors in the meeting of the Board of Directors held on 3<sup>rd</sup> March, 2012. Mr. Anand C. Raval, additional Director, would hold office till the ensuing Annual General Meeting. The Company has received notice in writing from members proposing his candidature, for the office of Director.

Mr. Vinayak Borikar, Director of the Company, who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Brief resume of the Directors proposed to be appointed / re-appointed as stipulated under clause 49 of the Listing Agreement with the Stock Exchange are given in the notice convening this Annual General Meeting.

The above appointments/re-appointments form part of the notice convening the Annual General Meeting and the resolutions are recommended for your approval.

## Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, your directors state that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2012, the applicable Accounting Standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same.
- the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and of profit the Company for the year ended as on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;



- the annual accounts have been prepared on a going concern basis.

### Auditors

M/s. S. U. Radhakrishnani & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office upto the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Your Directors recommend their re-appointment as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company and to audit financial accounts for the financial year ending on 31<sup>st</sup> March, 2013.

### Auditors' Observations

Observations of the Auditors, read together with the relevant Notes to the Accounts and Accounting Policies are self explanatory.

### Subsidiary Companies

The Company does not have any subsidiary Company.

### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a detailed report on Corporate Governance duly certified regarding compliances of its conditions by the Statutory Auditors M/s. S. U. Radhakrishnani & Co., Chartered Accountants, is forming part of this Annual Report and separately attached.

### Personnel

The employer employee relations remained cordial throughout the year. The Board places on record its sincere appreciation for the valuable contribution made by employees across all levels of the organization.

During the year under consideration, there were no employees, whose particulars are required to be furnished under the provisions of Section 217(2A) of the Companies Acts 1956 read with the rules thereunder.

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars required to be disclosed under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are set out in Annexure "A" to this report.

### Acknowledgements

Your Directors wish to express their sincere gratitude to the Union Government and the Government of various States, as also to all the Government agencies, banks, financial institutions, customers, vendors and other related organizations, who, through their continued support and cooperation, have contributed towards the Company's growth and progress during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for investors, shareholders and employees of the Company for their continued support towards conduct and operations of the Company.

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

**Director**

Date 1<sup>st</sup> September, 2012

Place: - Mumbai

## Annexure “A” to the Report of the Directors

Particulars as per the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 and forming part of the Directors’ Report for the Year ended 31<sup>st</sup> March 2012.

### A. Conservation of Energy Technology Absorption, Research & Development and resultant benefits:

Your Company believes in continual improvement through up-gradation of technology and adoption of latest manufacturing techniques. Your Company constantly upgrades / refurbishes its equipment’s to offer best quality products and minimise operating cost to improve the productivity & profitability.

#### Form ‘A’

A) Power and Fuel Consumption	UOM	2011-2012	2010-2011
1) Electricity			
a) Purchased			
Unit	(KWh)	NIL	NIL
Total Cost	(Rs. in Lacs)	NIL	NIL
Cost / Unit	(Rs.)	NIL	NIL
b) Own Generation			
i) Through Diesel Generator Unit		NIL	NIL
ii) Through Steam Turbine Generation Units		NIL	NIL
iii) Through Wind Mill			
Unit	(KWh)	NIL	NIL
Total Cost	(Rs. in Lacs)	NIL	NIL
Cost / Unit	(Rs.)	NIL	NIL
2) Coal			
Quantity	Tonnes	NIL	NIL
Total Cost	(Rs. in Lacs)	NIL	NIL
Average Rate	(Rs.)	NIL	NIL
3) Furnace Oil			
Quantity	K. Ltrs	NIL	NIL
Total Cost	(Rs. in Lacs)	NIL	NIL
Average Rate	(Rs.)	NIL	NIL
4) Others/Internal Generation			
Quantity	K. Ltrs	NIL	NIL
Total Cost	(Rs. in Lacs)	NIL	NIL
Rate/ Unit	(Rs.)	NIL	NIL

### B. Technology Absorption, Research & Development and resultant benefits:

Your Company believes in continual improvement through up-gradation of technology and adoption of latest manufacturing techniques. Your Company constantly upgrades / refurbishes its equipment’s to offer best quality products and minimise operating cost to improve the productivity & profitability.

C. Foreign Exchange Earnings & Outgo

(` in Lacs)

Particulars	2011- 2012	2010-2011
Exports as a % of Total income	Nil	9.76%
Total Foreign Exchange earned	Nil	Rs 12.01
Total Foreign Exchange outgo	Nil	Rs 0.17

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

**Director**

Date 1<sup>st</sup> September, 2012  
Place: - Mumbai

## Management Discussion and Analysis

### Industry Structure & Developments

The Indian gem and jewellery industry has witnessed a marginal decline of 0.36% in FY 2011-2012 owing to the decrease in trading exports of diamonds.

The total gem & jewellery industry exports were recorded at US\$42839 million (INR 204823 crores) in FY 2011-12 as compared to US\$ 42995 million (INR 195735 crores) in April 2010 - March 2011. Though in dollar terms there is a marginal drop of .36%, the exports mark an increase of 4.6% in rupee value was registered.

### Outlook

The Company has undergone extremely difficult time in 2011-2012, particularly concerning the recovery of debtors in its gems and jewellery business which assumed contagion levels after the Dubai Financial Crisis.

However, while perusing the main objects of the Company in these tough times, the Company management found extremely beneficiary venture wherein there will be win- in win situation resulting in value additions to the shareholders of the Company as well as great benefits to the society as a whole viz. Venture delivering Drinking Water Treatment Systems and related products and consumables.

The Company management identified the potential of the venture and thus considered the option of diversifying its business by entering into association with Inspire Group which is involved in venturing with the basic elements such as Water, Health care education, etc.

Further, for the purpose of carrying the above stated object of carrying out the projects related to clean drinking water treatment technology, the Company management is proposing to shareholders resolution for making the necessary alteration to Main Objects Clause of the Memorandum of Association of the Company, enabling the Company to carry out the above stated objects.

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 i.e. Central Govt, State Govt, Municipal & Zilla Parishad, Development Boards etc. . The company shall be primarily focusing 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 i.e. BOOT Model wherein the process is mobile on a autorikshaw.

### Risks and Concerns

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 it's 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 2011-2012. 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 2011-12. 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 Government 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 their Adequacy

The Company views Internal Control as a tool for improving operational performance and ensuring reliability of reporting mechanism. The Company is equipped with adequate internal control systems for its business operations which determine the efficiency of its operational strengths in financial reporting and ensure compliance with applicable laws and regulations. The internal control systems are supplemented by extensive audits conducted by internal auditors. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization, and ensuring compliance of corporate policies.

## Human Resources and Industrial Relations

The Company understands that employees are vital and valuable assets. It believes in creating a favorable work environment which can lead to innovative ideas. The Company has an optimum process of recruitment and awarding its human resource which leads to attraction and retention of highly qualified and productive individuals in the organization. This selection process is continually assessed and refined based on performance tracking of past recruits. The Company further trains the individuals through training programmes. The Company believes in promoting and nurturing work environment which is conducive to the development and growth of an individual employee, by employing the best HR practices such as performance management, reward and recognition policy, open work culture and effective employee communication.

The total number of employees in the Company stands at 93 (including employees employed on contract basis).

## 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.

## Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, expectations and estimates regarding future performance may be "forward looking statements" within the meaning of applicable securities laws and regulations and are based on currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to future events and uncertainties, which could cause actual results to differ materially from those that may be indicated by such statement.

## Corporate Governance Report for the Financial Year 2011-12

(As required under clause 49 of the Listing Agreement entered into with Bombay Stock Exchange)

### 1. Company's Philosophy on Code of Governance:

Indo Bonito Multinational Limited, the Corporate Governance objective is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability and ethical conduct of business for meeting obligation towards shareholders and other stakeholders such as Customers, Vendors, Employees and Financiers and to the society at large. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and nurture these core values in all aspects of its operations.

### 2. Board of Directors

#### Composition

The Company has a broad based Board and had a fair representation of Executive, Non Executive and Independent Directors during the financial year 2011-2012. As on 31<sup>st</sup> March, 2012, the Board of Directors of the Company consisted of 5 (Five) directors, 3 (Three) of whom were Executive Directors. The remaining 2 (Two) directors were Non-Executive, Independent Directors, wherein Chairman of the Board of Directors is a Non-Executive Independent Director. The Directors possess experience in various fields that encompasses manufacturing, accounts, finance and law.

#### Board Procedure

In advance of each meeting, the Board is provided with relevant information on various matters related to working of the Company. The agenda is prepared in consultation with the Chairman of the Board. The agenda for the meetings of the board together with the appropriate supporting documents are circulated well in advance of the meeting. Among other matters Board discussions generally relate to Company's business, financial results, review of the reports of the Audit Committee and compliance with their recommendation(s), suggestion(s), non compliance of any regulation, statutory or Listing requirements etc.

#### Board Meetings

The Board of Directors met 6 (Six) times during the financial year 2011-2012 on 4<sup>th</sup> April,2011, 30<sup>th</sup> April,2011, 25<sup>th</sup> August,2011, 7<sup>th</sup> September,2011, 8<sup>th</sup> November,2011, 16<sup>th</sup> February,2012. As stipulated, the gap between two board meetings did not exceed four months. The Board's composition, attendance and their directorship / committee membership, chairmanship in other Companies as on 31<sup>st</sup> March, 2012, is as stated herein below:-

Name of Director	Category of Director	Attendance at		Directorships in Companies, Membership/Chairmanship in Committees		
		Board Meeting	Last AGM	Other Directorships <sup>1</sup>	Committee Memberships <sup>2</sup>	Committee Memberships <sup>3</sup>
Mr. Subhabrata Sudhansu Datta	Chairman , Non-Executive, Independent Director	6	Yes	1	2	2
Mr. Vinayak Gopal Borikar	Non-Executive, Independent Director	6	Yes	Nil	N.A.	N.A.
Mr. Sumuna Rajan Pandian	Executive, Whole Time Director	6	Yes	Nil	N.A.	N.A.
Mr. Marimuthu Rajangam	Executive Director	6	Yes	Nil	N.A.	N.A.
Mr. Anand C. Raval <sup>3</sup>	Executive Director	N.A.	N.A.	Nil	N.A.	N.A.

**Notes:**

1. Directorships in respect of Private Limited companies, Section 25 companies and Foreign companies have not been included.
2. Position in Audit Committee and Shareholders' Grievance Committee are considered for the purpose.
3. Appointed as Director of the Company w.e.f. 3<sup>rd</sup> March,2012.

None of the Directors is a member of more than 10 committees and chairman of more than 5 committees (as specified in clause 49) across all the Companies in which they are Directors.

**Audit Committee**

Composition and attendance:

The Audit Committee consists of 3 (Three) Directors. The necessary quorum was present at all the meetings. During the year under review, the Audit Committee met 4 (Four) times during the financial year 2011-2012 on 30<sup>th</sup> April,2011, 25<sup>th</sup> August,2011, 8<sup>th</sup> November,2011, 16<sup>th</sup> February,2012.

As stipulated, the gap between two committee meetings did not exceed four months.

The composition of the Audit Committee and the Attendance of Directors at its meeting is given hereunder:

Sr.No.	Name of the Committee member	Designation	No. of Meetings	
			Held during their tenure	Attended
1.	Mr. Subhabrata Sudhansu Datta	Chairman (Independent Director)	4	4
2.	Mr. Vinayak Gopal Borikar	Member (Independent Director)	4	4
3.	Mr. Sumuna Rajan Pandian	Member (Managing Director)	4	4

**Brief description of Terms of reference**

The terms of reference of Audit Committee includes the matters specified in section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement and broadly comprise as under:

1. Review of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommend the appointment/re-appointment /replacement or removal of the Statutory Auditor and the fixation of audit fees and payment for any other services to external auditors;
3. Reviewing with the management, the quarterly/half yearly and annual financial statements before submission to the Board focusing primarily on:
  - Any change in the accounting policies and practices;
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 217(2AA) of the Companies Act, 1956;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with accounting standards;
  - Compliance with listing and other legal requirements relating to financial statements;

- Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
4. Reviewing the Company's financial and risk management policies;
  5. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency about the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter,
  6. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
  7. Review of the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  8. Discussion with internal auditors any significant findings and follow up there on;
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  10. Discussion with statutory auditors about the scope of audit including observation of auditors (post-audit) to ascertain any area of concern;
  11. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
  12. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;

#### **Powers of Audit Committee**

The Audit Committee has the following powers:

- i) To investigate any activity within its terms of reference;
- ii) To seek any information from any employee;
- iii) To obtain outside legal or other professional advice;
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary;

#### **Remuneration Committee**

##### **Composition**

The Remuneration Committee has been constituted by the Board of Directors to review and determine the remuneration package of the Executive and Non Executive Directors in accordance with the guidelines laid out by statute and the Listing Agreement with the Stock Exchanges. During the year under review, the No Remuneration Committee meetings held.



The present composition of Remuneration Committee is as follows:

Sr.No.	Name of the Committee member	Designation	No. of Meetings	
			Held during their tenure	Attended
1.	Mr. Vinayak Gopal Borikar	Chairman	Nil	N.A.
2.	Mr. Subhabrata Sudhansu Datta	Member	Nil	N.A.
3.	Mr. Marimuthu Rajangam	Member	Nil	N.A.

**Remuneration Policy:**

The Remuneration Policy of the Company is to remain competitive in the industry to attract and retain talent and appropriately reward them. The Company while deciding the remuneration package takes into consideration the following:

- a. Financial Position of the Company;
- b. Trend in the Industry;
- c. Appointee’s qualification, experience, past performance, past remuneration etc;
- d. Neutral view while determining the remuneration package;
- e. Balance between interest of the company and shareholders.
- f. Details of remuneration paid to Executive Directors are as follows:

Name	Salary & Perquisites	Commission	Sitting Fees	Total
Mr. Sumana Rajan Pandian	Rs. 2.4 Lacs P.a.	Nil	Nil	Rs. 2.4 Lacs P.a

Number of Equity Shares held by the Directors as on 31<sup>st</sup> March,2012

Name	Designati	No. of shares held
Mr. Sumana Rajan Pandian	Executive Director	

**Shareholders/ Investors Grievance Committee**

The Company has constituted a Shareholders/ Investors Grievance Committee to look into among other functions, redressing shareholders complaints like transfer and delay in transfer of shares, non-receipt of Annual Report, Notice, declared dividends etc.

During the financial year 2011-2012, the Shareholders/ Investors Grievance Committee met 4 (Four) times during the financial year 2011-2012 on 30<sup>th</sup> April,2011, 25<sup>th</sup> August,2011, 8<sup>th</sup> November,2011, 16<sup>th</sup> February,2012.

The composition of the Share Transfer and Shareholders/Investor Grievance Committee is given hereunder:-

Sr.No.	Name of the Committee member	Designation	No. of Meetings	
			Held during their tenure	Attended
1.	Mr. Vinayak Gopal Borikar	Chairman	4	4
2.	Mr. Subhabrata Sudhansu Datta	Member	4	4
3.	Mr. Sumuna Rajan Pandian	Member	4	4

Status of Investors' Complaints

At the beginning of the year	Received during the year	Resolved during the year	Pending
Nil	Nil	Nil	Nil

## GENERAL BODY MEETINGS

a) The details of last three Annual General Meetings of the Company are as follows:

Year	Date	Time	Venue	Number of Special Resolutions passed
2008-09	24 <sup>th</sup> September, 2009	4.30 PM	Pride Hotel, Opp. Greens Restaurant, Next to Citibank, Off. Link Road, Chincholi Bunder, Malad (West), Mumbai 400064	2
2009-10	30 <sup>th</sup> September, 2010	4.30 PM	Pride Hotel, Opp. Greens Restaurant, Next to Citibank, Off. Link Road, Chincholi Bunder, Malad (West), Mumbai 400064	2
2010-11	30 <sup>th</sup> September, 2011	4.30 PM	Gokul Anand Hotels Pvt Ltd, Shiv Vallabh Road, Western Express Highway, Ashok Van, Dahisar (East), Mumbai-400068	1

All the Special Resolutions placed before the shareholders at the above meetings were approved.

**Postal Ballot conducted during the year:**

During the period under review, No resolution was being passed by mode of Postal Ballot Process.

During the year under review, No Extra Ordinary General meeting was held.

## DISCLOSURES:

- Related Party Transaction**

During the year under review, besides the transactions reported in Notes to Accounts to the Balance Sheet as at 31<sup>st</sup> March, 2012, there were no other related party transactions with its promoters, directors, management and subsidiaries that had a potential conflict of interest of the Company at large.

- **Disclosure of Accounting Treatment**

The Company has followed all relevant Accounting Standards while preparing the financial statements.

- **Code of Conduct**

The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the Company's website [www.indobonito.com](http://www.indobonito.com). All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration by the Chairman and Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31<sup>st</sup> March, 2012, by the members of the Board and senior management personnel, as applicable to them, is also annexed separately in this Annual Report.

- **Proceeds from Public Issues, Right Issues, Preferential Issues etc.**

During the financial year 2011-2012, the Company had not issued and allotted any shares through Public Issues, Right Issues, or on Preferential basis.

- **Disclosure of Risk Management**

The Company has the risk assessment and mitigation procedures in place and the same has been laid before the Board members from time to time.

- **Details of Non-Compliance.**

On complying with all the requirements of prescribed under the listing agreement, the Company is in receipt of In- principle approval from the Bombay Stock Exchange, revoking the suspension on trading of equity shares of the Company.

- **CEO/CFO Certification**

A CEO/CFO certification in terms of Clause 49(v) of the Listing Agreement, from Mr. Subhabrata Sudhansu Datta, Chairman, heading finance function of the Company, in respect of financial year 2011-2012 was placed before the Board.

- **Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements of this Clause.**

The Company has complied with all the mandatory requirements of this clause. As regards the non-mandatory requirements the extent has been stated in this report against each such item.

## MEANS OF COMMUNICATION

The Company's quarterly / half yearly results are published in news papers in both English and Hindi. Half yearly reports are not being sent to each household of shareholders. These results are displayed on the Company's website [www.indobonito.com](http://www.indobonito.com) under investor section. Presentations made to Analysts are also displayed on the website of the Company.

Management Discussion and Analysis is forming part of this Annual Report.

GENERAL INFORMATION FOR SHAREHOLDER

A	Annual General Meeting Date and Time Venue	28 <sup>th</sup> September, 2012 at 1.30 P.M. At Office No. B-121, Balaji Bhavan, Plot No. 42A, Sector- 11, CBD Belapur, Navi Mumbai 400 614
B	Financial Calendar Results for : First quarter Second quarter Third quarter Fourth quarter	1 <sup>st</sup> April,2011 to 31 <sup>st</sup> March , 2012. On or before 14 <sup>th</sup> August 2012 On or before 14 <sup>th</sup> November 2012 On or before 14 <sup>th</sup> February 2013 Annual Audited Results -On or before 30 <sup>th</sup> May 2013
C	Date of Book Closure	20 <sup>th</sup> September 2012 to 27 <sup>th</sup> September 2012 (both day inclusive)
D	Listing on Stock Exchanges	BSE Limited, Mumbai (Listing fees, as applicable, has been paid in time)
E	Registered Office	A 729, TTC Industrial Area, Koparkhairne, Navi Mumbai 400 705
F	Registrar and Transfer Agent	<b>Sharepro Services (India) Pvt. Ltd.</b>  Sam Hita Warehousing Complex, Warehouse No. 52 & 53, Plot No. 13AB, 2nd Floor, Sakinaka, Andheri (East), Mumbai - 400 072.
G	Stock Code	BSE Script Code 531084
H	ISIN for NSDL and CDSL	INE457B01012
I	Corporate Identification Number (CIN)	L65920MH1994PLC081607

**MARKET PRICE DATA**

The table below gives the monthly high and low prices of the Company's shares traded at the Bombay Stock exchange Limited (BSE) during the period from April 2011 to March 2012.

Month	Indo Bonito Multinational Ltd.	
	High Price	Low Price
Apr-11	7.77	4.95
May-11	5.97	2.61
Jun-11	4.01	2.57
Jul-11	3.55	2.76
Aug-11	2.94	1.84
Sep-11	2.90	1.73
Oct-11	2.50	1.95
Nov-11	2.37	1.58
Dec-11	2.13	1.35
Jan-12	1.98	1.45
Feb-12	2.11	1.51
Mar-12	2.92	1.75

**SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH,2012**

a) Category of Equity Shareholders as on 31<sup>st</sup> March, 2012

Sl. No.	Category	No. of Shareholders	No. of Shares	% of Total Holding
1.	Indian Promotor& Promotor Group	2	8,134,500	33.15%
2.	Bodies Corporate	143	5,410,396	22.05 %
3.	Individuals	4,395	11,327,991	46.16%
4.	Others	20	67,413	0.25%
	<b>Total</b>	<b>4,560</b>	<b>24,539,490</b>	<b>100%</b>

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## Auditors' Certificate on Compliance of Conditions of Corporate Governance

To  
**The Members**  
**Indo Bonito Multinational Limited**

We have examined the records concerning Compliance of the conditions of Corporate Governance by **Indo Bonito Multinational Limited** for the year ended on 31<sup>st</sup> March, 2012 as stipulated in clause 49 of the Listing Agreement of the said company with the BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and based on the information and explanations given to us and the representations made by management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of said Listing Agreement.

We state that in respect of Investors' Grievances received, generally no Investors' Grievances are pending for a period exceeding one month against the company as per records maintained by the Investors' Grievance Committee.

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

For M/s. S. U. Radhakrishnani & Co.,  
Chartered Accountants,

CA. S. U. Radhakrishnani  
Partner  
M. No. 31760

Place: Mumbai  
Date : 1<sup>st</sup> September, 2012

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## Declaration Regarding Compliance of Code of Conduct

I, Mr. Subhabrata Sudhansu Datta , Chairman and Managing Director of the Company, hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with Code of Conduct as adopted by the Company for the financial year ended 31<sup>st</sup> March, 2012.

Place: Mumbai  
Date : 1<sup>st</sup> September, 2012

Subhabrata Sudhansu Datta  
Chairman

# ACCOUNTS

# Auditors' Report

To the Members of

**INDO BONITO MULTINATIONAL LTD.**

I have audited the attached Balance Sheet of INDO BONITO MULTINATIONAL LTD. (Formerly Indo Castle Multimedia Ltd), as at 31<sup>st</sup> March, 2012 and also the Statement of Profit & Loss and Cash Flow Statement of the Company 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;
5. on the basis of written representations received from the directors, as on 31<sup>st</sup> March 2012, and taken on record by the Board of Directors, I report that none of the director is disqualified as on 31<sup>st</sup> 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;

Subject to non provision by company for losses arising due to aborting of its Hollow Core Block project (as explained by Company in notes to accounts) of Rs 8 to 9 crores ,

I report that 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 31<sup>st</sup> March, 2012;
- 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. 3176**

**Place : Mumbai**

**Date : 1<sup>st</sup> September,2012.**



## 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) As explained to us, 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 two parties covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2027.66 lacs and the year end balance of the loans granted to such persons is Rs.1944.64 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.
  - (c) In respect of such interest free loans granted, repayment of the principal amount is as stipulated.
  - (d) The company had taken loan from on party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1263 lacs and the year end balance of the loans granted to such parties was Rs.1169 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 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, 2012 for a period of more than six months from the date they become payable. However, FBT of Rs 9.31 lacs and Dividend Tax of Rs. 12.61 lacs remained unpaid.
- (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. However income tax dues of Rs 34.17 cr demand is disputed by the company.
- (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, except interest on packing credit and bill discounting limit from Bank of India amounting to Rs 4.42 cr. The company's stand is reflected as per the notes to accounts.
- (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 has given corporate guarantee for loans taken by group companies from banks or financial institutions for financials assistance of Rs.20 crores.
- (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.
- (xix) The company does not have 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.

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

**S.U.Radhakrishnani  
Proprietor  
Membership No. 31760**

**Place : Mumbai  
Date : 1<sup>st</sup> September, 2012.**

**INDO BONITO MULTINATIONAL LTD**

Balance Sheet as at 31st March 2012

(Amount in Rs.)

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>SHAREHOLDERS FUNDS</u></b>			
	(a) Share Capital	<b>A</b>	249,403,000	249,403,000
	(b) Reserves & Surplus	<b>B</b>	(87,701,234)	(8,428,711)
	(c) Money Rec. Agst. Share Warrants		-	-
	Total (1)		<b>161,701,766</b>	<b>240,974,289</b>
<b>2</b>	<b><u>SHARE APPLICATION MONEY PENDING ALLOTMENT (Total 2)</u></b>		-	-
<b>3</b>	<b><u>NON-CURRENT LIABILITIES</u></b>			
	(a) Long Term Borrowings	<b>C</b>	614,860,793	606,542,786
	(b) Deferred Tax Liabilities ( Net)		9,583,966	9,583,966
	(c) Other Long Term Liabilities	<b>D</b>	-	-
	(d) Long Term Provisions	<b>E</b>	-	-
	TOTAL(3)		<b>624,444,759</b>	<b>616,126,752</b>
<b>4</b>	<b><u>CURRENT LIABILITIES</u></b>			
	(a) Short Term Borrowings	<b>F</b>	291,131,486	243,577,133
	(b) Trade Payables	<b>G</b>	19,767,665	12,512,170
	(c) Other Current Liabilities	<b>H</b>	39,239,733	48,720,693
	(d) Short Term Provisions	<b>I</b>	34,246,095	34,246,095
	TOTAL(4)		<b>384,384,979</b>	<b>339,056,091</b>
	<b>TOTAL(1+2+3+4)</b>		<b>1,170,531,504</b>	<b>1,196,157,132</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>NON-CURRENT ASSETS</u></b>			
	(a) Fixed Assets			
	(i) Tangible Assets	<b>J</b>	173,706,031	186,956,583
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress		54,464,132	54,464,132
	(iv) Intangible Assets Under Dev		-	-
	(b) Non Current Investment	<b>K</b>	1,000	27,171,756
	(c) Deferred Tax Assets (Net)		-	-
	(d) Long Term Loans & Advances	<b>L</b>	503,117,291	497,830,562
	(e) Other Non Current Assets	<b>M</b>	555,000	647,500
	TOTAL(1)		<b>731,843,454</b>	<b>767,070,533</b>
<b>2</b>	<b><u>CURRENT ASSETS</u></b>			
	(a) Current Investments	<b>N</b>	-	-
	(b) Inventories	<b>O</b>	3,716,697	3,800,822
	(c) Trade Receivables	<b>P</b>	412,555,488	387,817,449
	(d) Cash & Cash Equivalent	<b>Q</b>	1,817,521	6,887,734
	(e) Short Term Loans & Advances	<b>R</b>	20,598,344	30,580,594
	(f) Other Current Assets	<b>S</b>	-	-
	TOTAL(2)		<b>438,688,050</b>	<b>429,086,599</b>
	<b>TOTAL(1+2)</b>		<b>1,170,531,504</b>	<b>1,196,157,132</b>

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

INDO BONITO MULTINATIONAL LTD

Subhabrata S Datta

S R Pandian

S.U.Radhakrishnani

Chairman

Whole Time Director

Proprietor

Place: Mumbai

Membership No. 31760

Dated: 1st September, 2012

**INDO BONITO MULTINATIONAL LTD**  
**Profit and Loss statement for the year ended 31st March 2012**

S. N	PARTICULARS	2011-2012	2010-2011
	<b><u>REVENUE FROM OPERATIONS</u></b>		
I	Revenue from Operation	55,880,287	1,268,574,345
II	Other Income	3,470,000	12,586,451
III	<b>TOTAL REVENUE(I+II)</b>	<b>59,350,287</b>	<b>1,281,160,796</b>
IV	<b><u>EXPENSES:</u></b>		
a	Cost of Material Consumed	-	112,194,431
b	Purchase of Stock in Trade	46,722,903	1,044,858,552
c	Changes in Inventory of Finished Goods Work in Progress and Stock in Trade	84,125	50,954,689
d	Employee Benefit Expenses	4,171,356	15,214,317
e	Finance Costs	45,074,970	31,557,678
f	Depreciation and Amortization Expenses	12,027,852	11,495,955
g	Other Expenses	5,195,186	23,411,906
	<b>TOTAL EXPENSES</b>	<b>113,276,392</b>	<b>1,289,687,528</b>
V	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)</b>	<b>(53,926,105)</b>	<b>(8,526,732)</b>
VI	Exceptional Items	25,346,418	6,520,125
VII	<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)</b>	<b>(79,272,523)</b>	<b>(15,046,857)</b>
VIII	Extraordinary Items	-	-
IX	<b>PROFIT BEFORE TAX (VII-VIII)</b>	<b>(79,272,523)</b>	<b>(15,046,857)</b>
X	<b>TAX EXPENSE</b>		
a	Current Tax	-	-
b	Earlier Year Tax	-	-
c	Deferred Tax	-	-
XI	<b>PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII-VIII)</b>	<b>(79,272,523)</b>	<b>(15,046,856)</b>
XII	Profit /(Loss) From Discontinuing Operations	-	-
XIII	Tax Expenses of Discontinuing Operations	-	-
XIV	Profit /(Loss) from Discontinuing Operations (After Tax) (XII-XIII)	-	-
XV	<b>PROFIT (LOSS) FOR THE PERIOD (XI+XIV)</b>	<b>(79,272,523)</b>	<b>(15,046,856)</b>
XVI	Earning Per Equity Share		
a	Basic	(3.18)	(0.60)
b	Diluted		

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**INDO BONITO MULTINATIONAL LTD**

**Subhabrata S Datta**

**Chairman**

**Place: Mumbai**

**Dated: 1st September, 2012**

**S R Pandian**

**Whole Time Director**

As per our report of even date attached  
**For S.U.Radhakrishnani & Co**  
**(Chartered Accountants)**

**S.U.Radhakrishnani**  
**Proprietor**  
**Membership No. 31760**

**INDO BONITO MULTINATIONAL LTD**  
**Cash Flow Statement**  
**(Pursuant to clause 32 of the Listing Agreement with the Stock Exchange)**  
Cash Flow Statement for the year ended 31st March 2012

Sr. No.	Particulars	2011-2012	2010-2011
A)	Cash flow from operating activities		
	Net profit / (loss) before taxes	(79272523)	(15046857)
	Adjustment for :		
	Depreciation	11935352	11403455
	Preliminary expenses written off	92500	92500
	Interest Income	0	(2093713)
	Loss on sale of investments	25346418	0
	Interest Paid	45074970	31557678
	<b>Operating profit/(loss) before working capital changes</b>	<b>3176717</b>	<b>25913063</b>
	(Increase) / decrease in inventory	84125	142979282
	(Increase) / decrease in trade & other receivables	(24738039)	281928200
	Increase / (decrease) in trade & other payables	674535	(314656236)
	<b>Cash generated from operations</b>	<b>(20802662)</b>	<b>136164309</b>
	Direct taxes paid	0	0
	<b>Net cash from operating activities - (A)</b>	<b>(20802662)</b>	<b>136164309</b>
B)	Cash flow from investing activities		
	Purchase of fixed assets including CWIP	(190800)	44567318
	Interest Income	0	2093713
	(Purchase)/Sale of investments (Net)	1824338	0
	Sale of fixed assets	#REF!	0
	Movement in other current assets	9982250	(463326888)
	Dividend received	0	0
	<b>Net cash (used in) / from investing activities - (B)</b>	<b>#REF!</b>	<b>(416665857)</b>
C)	Cash flow from financing activities		
	Equity share capital issue	0	0
	Share application money	0	0
	Increase/(decrease) in long term Loans & Other Assets	(5286729)	0
	Increase/(decrease) in long term & other borrowings	8318007	283267899
	Interest paid	(420617)	(31557678)
	Dividend paid/written off	0	(2494030)
	<b>Net cash flow (used in) / from financing activities - (C)</b>	<b>2610661</b>	<b>249216191</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>#REF!</b>	<b>(31285357)</b>
	Cash and cash equivalents as at the beginning of the year	6887734	38173091
	Cash and cash equivalents as at the end of the year	1817521	6887734

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 repayments.
- 3 Cash and cash equivalents represent cash and bank balances only

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

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**INDO BONITO MULTINATIONAL LTD**

**Subhabrata S Datta**  
Chairman

Place: Mumbai

Dated: 1st September, 2012

**S R Pandian**  
Whole Time Director

As per our report of even date attached  
For S.U.Radhakrishnani & Co  
(Chartered Accountants)

**S.U.Radhakrishnani**  
Proprietor  
Membership No. 31760

**INDO BONITO MULTINATIONAL LTD**  
**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>A</b>	<b><u>SHARE CAPITAL:</u></b>			
	<b>Authroised</b>		250,000,000	250,000,000
	25000000 Equity Shares of Re. 10/- each, fully paid-up. (Previous year 25000000 Equity Shares of Rs.10/- each, fully paid-up)		<b>250,000,000</b>	<b>250,000,000</b>
	<b>Issued, Subscribed &amp; Paid Up</b>			
	Shares at the beginning of the accounting period		249,403,000	249,403,000
	24940300 Equity Shares of Re. 10/- each, fully paid-up. (Previous year 24940300 Equity Shares of Rs.10/- each, fully paid-up)		-	-
	Additions during the year		<b>249,403,000</b>	<b>249,403,000</b>
<b>B</b>	<b><u>RESERVE &amp; SURPLUS:</u></b>			
<b>1</b>	<b>General Reserve</b>			
	At the beginning of the Account Period		212,016	212,016
	Additions during the year		-	-
	At the end of the Accounting Period		<b>212,016</b>	<b>212,016</b>
<b>2</b>	<b>Surplus</b>			
	At the beginning of the Account Period		(8,640,727)	6,406,129
	Additions during the year (Balance in Statement of Profit & Loss A/c.)		(79,272,523)	(15,046,856)
	Allocation and Appropriations			
	Transfer to/From Reserves		-	-
	At the end of the Accounting Period		(87,913,250)	(8,640,727)
	<b>Grand Total</b>		<b>(87,701,234)</b>	<b>(8,428,711)</b>
<b>C</b>	<b><u>LONG TERM BORROWINGS</u></b>			
<b>1</b>	<b>Secured Term Loans from Banks</b>			
	Term Loans From Bank/NBFC		2,095,775	2,695,014
	Term Loans From Others		612,765,018	603,847,772
	Grand Total		<b>614,860,793</b>	<b>606,542,786</b>
	Deferred Tax Liabilities ( Net)			
	Deferred Tax Liabilities		9,583,966	9,583,966
			9,583,966	9,583,966
	<b>Notes</b>			
	Term loans from banks and NBFC include 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.			

**INDO BONITO MULTINATIONAL LTD**

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>D</b>	<b><u>OTHER LOANG TERM LIABILITIES</u></b>			
	Security Deposits from Distributors		-	-
<b>E</b>	<b><u>LONG TERM PROVISION</u></b>		-	-
			-	-
<b>F</b>	<b><u>CURRENT LIABILIES</u></b>			
	Short Term Borrowings			
	Loans repayble on demand from Bank/NBFC		285,254,486	240,600,133
	Loans from Other		5,877,000	2,977,000
	<b>Total</b>		<b>291,131,486</b>	<b>243,577,133</b>
	<b>Notes</b>			
	Loans repayabl on dmand from banks include Bill Discounting and Packing Credit limit availed from Bank of India which are secured by first charge on mortgaged fixed assets moviable and discounted bills amounting to Rs 28.52 cr			
<b>G</b>	<b><u>Trade Payables</u></b>			
	Sundry Creditors		19,767,665	12,512,170
	Due To Related Parties		-	-
	<b>Total</b>		<b>19,767,665</b>	<b>12,512,170</b>
<b>H</b>	<b><u>OTHER CURRENT LIABILITIES</u></b>			
<b>1</b>	Duties & Taxes		-	-
<b>2</b>	Current Year's Taxes Payable ( Net of Advance Tax )		-	-
<b>3</b>	Advance from customers		452,677	-
<b>4</b>	Other payables		38,787,056	48,720,693
	<b>Total</b>		<b>39,239,733</b>	<b>48,720,693</b>
<b>I</b>	<b><u>SHORT-TERM PROVISIONS</u></b>			
	Provisions for Employee Benefits		-	-
	Dividend Tax Payable		1,261,953	1,261,953
	Provisions For FBT		931,500	931,500
	Provisions For Income Tax		<b>32,052,642</b>	32,052,642
	<b>Total</b>		<b>34,246,095</b>	<b>34,246,095</b>

**INDO BONITO MULTINATIONAL LTD**  
**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>J</b>	<b>(a) <u>FIXED ASSETS</u></b>			
	<b>(i) <u>Tangible Assets</u></b>			
	<b><u>Gross Block</u></b>		ADDITION	TOTAL
	Assets			
<b>1</b>	Land-Freehold		-	16,293,557
<b>2</b>	Land-Leasehold		-	-
<b>3</b>	Factory Building		-	-
<b>4</b>	Plant & Equipments		-	194,126,173
<b>5</b>	Furniture & Fixture		150,000	3,302,727
<b>6</b>	Vehicles		-	6,483,211
<b>7</b>	Factory Equipment		-	-
<b>8</b>	Office Equipment		-	904,889
<b>9</b>	Computers		40,800	11,474,928
	Total of this Year		<b>190,800</b>	<b>232,585,485</b>
	Grand Total		<b>190800</b>	<b>232585485</b>
	Total of the Previous Year		<b>8,989,882</b>	<b>233,900,685</b>
	<b><u>Depreciation Block</u></b>			
<b>1</b>	Land-Freehold		-	-
<b>2</b>	Land-Leasehold		-	-
<b>3</b>	Factory Building		-	-
<b>4</b>	Plant & Equipments		9,220,993	43,490,534
<b>5</b>	Furniture & Fixture		199,568	1,841,716
<b>6</b>	Vehicles		615,905	2,309,255
<b>7</b>	Factory Equipment		-	-
<b>8</b>	Office Equipment		42,982	416,907
<b>9</b>	Computers		1,855,904	10,821,042
	Total of this Year		<b>11,935,352</b>	<b>58,879,454</b>
	Grand Total		<b>11935352</b>	<b>58879454</b>
	Total of the Previous Year		<b>11,403,455</b>	<b>46,944,102</b>
	<b><u>Net Block</u></b>		LAST YEAR	THIS YEAR
<b>1</b>	Land-Freehold		16,293,557	16,293,557
<b>2</b>	Land-Leasehold		1,506,000	-
<b>3</b>	Factory Building		-	-
<b>##</b>	Plant & Equipments		159,856,632	150,635,639
<b>##</b>	Furniture & Fixture		1,510,579	1,461,011
<b>6</b>	Vehicles		4,789,861	4,173,956
<b>7</b>	Factory Equipment		-	-
<b>8</b>	Office Equipment		530,964	487,982
<b>9</b>	Computers		2,468,990	653,886
	Total of this Year		<b>186,956,583</b>	<b>173,706,031</b>
	Grand Total		<b>186,956,583</b>	<b>173,706,031</b>
	Total of the Previous Year		<b>204,370,156</b>	<b>186,956,583</b>
	<b>(ii) <u>Intangible Assets</u></b>		-	-
			-	-
	<b>(iii) <u>Capital Work in Progress</u></b>			
<b>1</b>	Building Under Construction		-	-
<b>2</b>	Machinery Under Utilisation		54,464,132	54,464,132
			<b>54,464,132</b>	<b>54,464,132</b>
	<b>(iv) <u>Intangible Assets under Development</u></b>		-	-
			-	-



**INDO BONITO MULTINATIONAL LTD**  
**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

(Amount in Rs.)

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>K</b>	<b>(b) <u>Non Current Investment</u></b>			
	Trade Investments - Associate Companies		-	27,170,756
	Trade Investments - Others		1,000	1,000
			<b>1,000</b>	<b>27,171,756</b>
	<b>(c) <u>Deferred Tax Assets (Net)</u></b>			
	Deferred Tax Assets		-	-
			-	-
<b>L</b>	<b>(d) <u>Long Term Loans &amp; Advances</u></b>			
	Capital advances		164,130,500	164,130,500
	Loans & advances to related parties		194,464,108	202,766,797
	Advance taxes		1,927,323	1,927,323
	Others		142,595,360	129,005,942
			<b>503,117,291</b>	<b>497,830,562</b>
<b>M</b>	<b>(e) <u>Other Non Current Assets</u></b>			
	<b><u>Misc Expenditure</u></b>			
	(To the Extent not Written off or Adjusted )			
	<u>Preliminary and Pre Operative Expenses</u>			
	Opening balnce / Addition		647,500	740,000
	Less : Written off during the year		92,500	92,500
			555,000	647,500
			<b>555,000</b>	<b>647,500</b>
	<b><u>CURRENT ASSETS</u></b>			
<b>N</b>	<b>(a) <u>Current Investment</u></b>		-	-
			-	-
<b>O</b>	<b>(b) <u>Inventories</u></b>			
	(As Taken, Valued & Certified by the Management			
	<b>1</b> Raw Materials		-	-
	<b>2</b> Finished Goods		-	-
	<b>3</b> Stock in Trade ( In Respect of Goods Acquired for Trading )		3,716,697	3,800,822
			<b>3,716,697</b>	<b>3,800,822</b>
<b>P</b>	<b>(c) <u>Trade Receivables</u></b>			
	(Unsecured considered Goods Unless otherwise state )			
	1) Debts Outstanding for a Period Exceeding Six Months from the date they are due			
	-Considered goods		173,282,667	381,907,973
	-Considered doubtful		214,325,821	-
	2) Other Debts - Considered Goods		24,947,000	5,909,476
			<b>412,555,488</b>	<b>387,817,449</b>

**INDO BONITO MULTINATIONAL LTD**  
**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

(Amount in Rs.)

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>Q</b>	<b>(d) <u>CASH &amp; CASH EQUIVALENTS :</u></b>			
	<b>(a) Balance with Banks</b>			
	<u>In Fixed Deposits</u>			
	<u>In Current Accounts</u>		1,230,435	6,584,042
	<b>b) Cheques, Drafts in Hand</b>		-	-
	<b>c) Cash in Hand</b>		587,086	303,692
			<b>1,817,521</b>	<b>6,887,734</b>
<b>R</b>	<b>(e) <u>SHORT TERM LOANS &amp; ADVANCES:</u></b>			
	(Unsecured considered Goods Unless otherwise state )			
	Deposit		1,322,917	1,322,917
	Advances Recoverable in Cash or in Kind for the value to be received		12,622,114	12,689,134
	Advances to Staff		2,896,406	1,897,937
	Balance with Revenue Authority		-	-
	Other		3,756,907	14,670,606
			<b>20,598,344</b>	<b>30,580,594</b>
<b>S</b>	<b>(f) <u>OTHER CURRENT ASSETS:</u></b>			
	Prepaid Expenss		-	-
			-	-

**INDO BONITO MULTINATIONAL LTD**  
**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012**

(Amount in Rs.)

S. NO.	PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>T</b>	<b><u>CONTINGENT LIABILITIES AND COMMITMENTS</u></b> (TO THE EXTENT NOT PROVIDED FOR)			
i	<b><u>CONTINGENT LIABILITIES</u></b>			
	(a) CLAIM AGAINST THE COMPANY NOT ACNOWLEDGED AS DEBTS;		-	-
	(b) GUARANTEES;		-	-
ii	<b><u>COMMITMENTS</u></b>			
	(a) ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR;		-	-
	(b) UNCALLED LIABILITY ON SHARES AND OTHER INVESTMENTS PARTLY PAID;		-	-
	(c) OTHER COMMITMENTS			
<b>U</b>	<b><u>THE AMOUNT OF DIVIDENDS PROPOSED TO BE DISTRIBUTED TO EQUITY AND PREFERENCE SHAREHOLDERS FOR THE PERIOD</u></b>		-	-
	AMOUNT PER EQUITY SHARE			
<b>V</b>	<b><u>ISSUE OF SECURITIES FOR SPECIFIC PURPOSE</u></b>		-	-
<b>W</b>	DETAIL OF ANY ASSETS OTHER THAN FIXED ASSETS AND NON-CURRENT INVESTMENTS WHICH DO NOT HAVE A VALUE ON REALISATION IN THE ORDINARY COURSE OF BUSINESS AT LEAST EQUAL TO THE AMOUNT AT WHICH THEY ARE STATED.		-	-
<b>X</b>	<b><u>SHARE CAPITAL:</u></b>			
1	<b><u>ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL INCLUDES</u></b>			
	ALLOTTED AS FULLY PAID UP BY WAY OF BONUS SHARES WITHIN THE LAST FIVE YEARS		-	
	NO. OF EQUITY SHARES OF RS. 10 EACH			
2	SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 PER CENT SHARES. (EQUITY SHARES IN NOS. OF RS. 10 EACH)			
	Scarlet International Private Limited			
	Hi-Gloss Products International Private Limited			
	Shivcharan Shreedhar Kashyap			
			9,354,000	10,629,209
<b>Y</b>	<b><u>LONG TERM BORROWINGS</u></b>			
1	TERM LOAN FACILITIES AVAILED FROM BANK/FINANCIAL INSTITUTION		-	-
2	LOANS FROM DIRECTORS		-	-
<b>Z</b>	<b><u>SHORT-TERM BORROWINGS:</u></b>			
1	CASH CREDIT FACILITIES AVAILED FROM BANK/FINANCIAL INSTITUTION		-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

INDO BONITO MULTINATIONAL LTD

Subhabrata S Datta

S R Pandian

Chairman

Whole Time Director

Place: Mumbai

Dated: 1st September, 2012

S.U.Radhakrishnani

Proprietor

Membership No. 31760

**INDO BONITO MULTINATIONAL LTD**

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012**

(Amount in Rupees)

S. N	PARTICULARS	2011-2012	2010-2011
<b>PL-1</b>	<b><u>REVENUE FROM OPERATIONS</u></b>		
a	Sale of Products	-	-
b	Sale of Traded Goods	55,880,287	1,268,574,345
		<hr/> 55,880,287	<hr/> 1,268,574,345
d	Less : Excise Duty	-	-
	Net Revenue From Operation	<hr/> <b>55,880,287</b>	<hr/> <b>1,268,574,345</b>
<b>PL-2</b>	<b><u>OTHER INCOME:</u></b>		
	Interest Income	-	2,093,713
	Lease Rentals	2,400,000	9,600,000
	Miscellaneous Income	1,070,000	892,738
		<hr/> <b>3,470,000</b>	<hr/> <b>12,586,451</b>
<b>PL-3</b>	<b><u>COST OF MATERIALS CONSUMED:</u></b>		
	Purchase of Raw Material	-	<b>20,169,838</b>
	Add : Opening Balance of Raw Material		92,024,593
		<hr/> -	<hr/> 112,194,431
	Less : Closing Balance of Raw Material	-	-
	Consumption of Material	<hr/> -	<hr/> <b>112,194,431</b>
<b>PL-4</b>	Purchase of Traded Goods	46,722,903	1,044,858,552
		<hr/> 46,722,903	<hr/> 1,044,858,552
	Total Purchases	<hr/> <b>46,722,903</b>	<hr/> <b>1,157,052,983</b>
<b>PL-5</b>	<b><u>CHANGES IN INVENTORIES</u></b>		
	<b><u>FINISHED GOODS</u></b>		
	At the beginning of the Accounting Period	-	-
	At the end of the Accounting Period	-	-
		<hr/> -	<hr/> -
	<b><u>WORK-IN-PROGRESS</u></b>		
	At the beginning of the Accounting Period	-	-
	At the end of the Accounting Period	-	-
		<hr/> -	<hr/> -
	<b><u>STOCK-IN-TRADE</u></b>		
	At the beginning of the Accounting Period	3,800,822	54,755,511
	At the end of the Accounting Period	3,716,697	3,800,822
		<hr/> 84,125	<hr/> 50,954,689
	<b>GRAND TOTAL</b>	<hr/> <b>84,125</b>	<hr/> <b>50,954,689</b>

**INDO BONITO MULTINATIONAL LTD**

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012**

(Amount in Rupees)

S. N	PARTICULARS	2011-2012	2010-2011
<b>PL-6</b>	<b><u>EMPLOYEE BENEFITS EXPENSE</u></b>		
	<u>Salary &amp; Wages</u>		
	Office Staff Salary	2,424,676	14,939,317
	Marketing Staff Salary & Incentive	-	-
	Directors Remuneration	1,746,680	275,000
	<u>Contribution to Providend and Other Fund</u>		
	Contribution to Providend Fund	-	-
	Contribution to Other Fund	-	-
	<u>Other Expenses</u>		
	Staff Welfare	-	-
	Medical Exps	-	-
	Bonus	-	-
	Leave Encashment	-	-
		<b>4,171,356</b>	<b>15,214,317</b>
<b>PL-7</b>	<b><u>FINANCIAL COSTS</u></b>		
a	<u>Interest Expenses</u>		
	Interest on TDS & Other Taxes	-	-
	Bank and other Financial Charges	45,074,970	31,557,678
		<b>45,074,970</b>	<b>31,557,678</b>
<b>PL-8</b>	<b><u>DEPRECIATION AND AMORTZATION EXPNSE</u></b>		
	Depreciation	11,935,352	11,403,455
	Preliminary and Pre -Operative Expense Written Off	92,500	92,500
		<b>12,027,852</b>	<b>11,495,955</b>
<b>PL-9</b>	<b><u>OTHER EXPENSES:</u></b>		
A	<b><u>MANUFACTURING EXPENSE :</u></b>		
	<u>CONSUMPTION OF STORES AND SPARE PARTS</u>		
	Opening Stock	-	-
	Add : Purchase	-	-
	Total	-	-
	Less : Closing Stock	-	-
		-	-
B	<b><u>ADMINISTARTIVE EXPENSE</u></b>		
	Miscellaneous xpenses	595,859	3,541,289
	Payment to Auditors	25,000	100,000
	Postage & Courier xpenses	-	-
	Printing & Stationery	10,000	324,054
	Professional Charges	1,177,936	3,121,989
	Rent, Rates & Taxes	88,166	1,760,720
	Insurance Charges	-	498,841
	Power,Fuel and Water	166,352	1,840,242
	Telephone Expenses	177,559	796,678
		<b>2,240,872</b>	<b>11,983,813</b>
	<b><u>SELLING &amp; DISTRIBUTION EXPENSE</u></b>		
	Discount,Rebate and Sttlement	-	-
	Selling & Distribution Expenses	2,836,347	7,547,186
	Freight/Transportation Charges	109,167	2,157,664
	Travelling xpenses	8,800	1,723,243
		<b>2,954,314</b>	<b>11,428,093</b>
	<b>GRAND TOTAL</b>	<b>5,195,186</b>	<b>23,411,906</b>

**INDO BONITO MULTINATIONAL LTD**

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012**

(Amount in Rupees)

S. N	PARTICULARS	2011-2012	2010-2011
	<u>PAYMENT TO THE AUDITORS AS</u>		
	AUDITOR	25,000	100,000
	FOR TAXATION MATTERS	-	-
	FOR REIMBURSEMENT OF EXPENSES	-	-
	TOTAL	<b>25,000</b>	<b>100,000</b>
a	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF		
	I RAW MATERIALS;	-	-
	II COMPONENTS AND SPARE PARTS;	-	-
	III CAPITAL GOODS;	-	-
	TOTAL	-	-
b	EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF	-	-
	TOTAL	-	-
C	BREAK UP OF CONSUMPTION		
	I <u>RAW MATERIALS:</u>		
	TOTAL CONSUMPTION	-	-
	INDIGENOUS		
	VALUE	-	-
	% OF TOTAL	-	-
	IMPORTED		
	VALUE	-	-
	% OF TOTAL	-	-
	II SPARE PARTS AND COMPONENTS		
	TOTAL CONSUMPTION	-	-
	INDIGENOUS		
	VALUE	-	-
	% OF TOTAL	-	-
	IMPORTED		
	VALUE	-	-
	% OF TOTAL	-	-
D	THE AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDENDS		
E	EARNING IN FOREIGN EXCHANGE		
	I EXPORT OF GOODS ON FOB BASIS;	-	-
	II ROYALTY, KNOWHOW, PROFESSIONAL AND CONSULTANCY FEES;	-	-
	III INTEREST AND DIVIDENDS;	-	-
	IV OTHER INCOME;	-	-
	TOTAL	-	-

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

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

**INDO BONITO MULTINATIONAL LTD**

**Subhabrata S Datta**

**S R Pandian**

**S.U.Radhakrishnani**

**Chairman**

**Whole Time Director**

**Proprietor**

**Membership No. 31760**

**Place: Mumbai**

**Dated: 1st September, 2012**

**INDO BONITO MULTINATIONAL LTD. (Formerly Indo Castle Multimedia Ltd)**

**Annexure to Notes attached to and forming part of accounts for the period ended 31st March, 2012  
Details of Production, Purchase, Sales, Consumption and Closing Stock**

	Unit	Opening Stock		Production/Purchase		Sales/Consumption		Closing Stock		
		Qty	Rupees	Qty	Rupees	Qty	Rupees	Qty	Rupees	
<b>Materials</b>										
Gold Jewellery										
	11-12		0	0	0	0	0	0	0	
	10-11	KGS	46	74924772	0	0	46.000	74924772	0	0
Other Materials										
	11-12		0	0	0	0	0	0	0	
	10-11	MT	8333	17099821		20169838		37269659	8333	0
<b>Total</b>	<b>11-12</b>			<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
	<b>10-11</b>			<b>92024593</b>		<b>20169838</b>		<b>112194431</b>		<b>0</b>
<b>Finished Goods</b> (Including Traded Goods)										
Gold										
	11-12	KGS	0	0		0		0	0	
Diamond										
	11-12	CARAT	0	0		0		0	0	
Gold										
	10-11	KGS	0	0	176	238327565	176	351924854	0	0
Diamond										
	10-11	CARAT	3669	22255332		770621228		820560098	0	0
Other Products										
	11-12	MT	225	3800822		21202781		23867966		3716697
	10-11	MT	4419	32500179		58595597		96089393	225	3800822
Water Management Business										
	11-12		0	0		25520122		32012321		0
	10-11		0	0		0		0	0	0
<b>Total</b>	<b>11-12</b>			<b>3800822</b>		<b>46722903</b>		<b>55880287</b>		<b>3716697</b>
	<b>10-11</b>			<b>54755511</b>		<b>1067544390</b>		<b>1268574345</b>		<b>3800822</b>

Notes :

1. Other Products includes building materials, dry-mix plaster, mobiles, agro products, blocks and pavers, wooden floorings.
2. Other materials includes cement, sand and allied chemicals.
3. Production of dry-mix plaster and chiknaputty was Nil during the year
4. Production of blocks and pavers was Nil during the year.

**For and on behalf of the Board**  
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**INDO BONITO MULTINATIONAL LTD**

**As per our report of even date attached**  
**For S.U.Radhakrishnani & Co**  
**(Chartered Accountants)**

**Subhabrata S Datta**  
**Chairman**  
**Place: Mumbai**  
**Dated: 1st September, 2012**

**S R Pandian**  
**Whole Time Director**

S.U.Radhakrishnani  
Proprietor  
**Membership No. 31760**

**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) Balances of Sundry Debtors, Sundry Creditors are subject to confirmation, reconciliation and consequent adjustments if any.
- (3) 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.
- (4) 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 shifts working - Bangalore - Leased Unit

However the lease in respect of Dry Mix Plaster unit was cancelled in Dec 2010 and Blocks and Pavers unit w.e.f June 2011.

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, blocks and pavers, and water management business. Hence quantitative information is not provided in the current year.

- 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.Nil (Previous year 2, 64,751).
- 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. Nil (Previous year Rs. 11,21,94,431)
  - ii) Stores & Components - Nil (Previous year Rs. Nil)
  - iii) Traded Goods Rs. 4,68,07,028 (Previous year 111,84,99,079/-)
- e) Purchase of traded goods during the year Rs 4,67,22,903 (Previous year Rs. 106,75,44,390 )
- f) Expenditure/Advances in foreign currency Rs. Nil (Previous year Rs 13,98,081 )
- g) FOB value of deemed Export Rs Nil (Previous year Rs. 12,01,28,660 )

- (5) Contingent liabilities include
- Contractual obligations of the company as per the agreements with its sundry debtors Rs Nil (Previous Year Rs Nil)
  - Disputed Income Tax Demand Rs.34.17 crores (Previous Year Rs5.75 crores).
  - Claims not acknowledged as debts Rs 53 crores ( Previous Year Rs 53 crores)
- (6) There are no dues outstanding for more than 30 days in respect of transactions with small scale industrial undertakings.

(7) **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.

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

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

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  
Nestler Commodities Ltd.

**Relatives of Key Management Personnel** Nil

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

Particulars	Nature of transactions	01/04/2011 To 31/03/2012 Rs In Lacs
<b>Group companies where common control exists</b>	Purchase of Goods	Nil (5841.55)
	Sale of Goods	Nil 1415.32

	<b>Balance outstanding at the year end</b>	
	Creditors	Nil (146.93)
	Loan Given	1944.64 (2027.66)
	Investments	Nil (271.71)
	Unsecured Loans	568.91 (568.91)
	Secured Loans	599.87 (546.93)
<b>Key Management Personnel</b>	<b>Remuneration</b>	
	S R Pandian	2.00 (2.75)
	R M Rajangam	15.47

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

		<b>2011-12</b>	<b>2010-11</b>
(i)	Payment to Directors:- Directors Remuneration	Rs. 17,46,680	2,75,000
(ii)	Payment To Auditors:- Audit Fees	Rs. 25,000	1,00,000.00
(iii)	Other information are either NIL or Not Applicable.		

(12) **Earning Per Share (in Rs.)**

(Nominal Value of Rs.10/- per share)	<b>2011-12</b>	<b>2010-11</b>
Basic Earning per share (Rs.)	-0.31	-0.60
Diluted Earning per share (Rs.)	-0.31	-0.60

(13) Unclaimed dividends as on 31/03/2012 for FY 2007-08 is Rs.106112(1,06,373) and for FY 2008-09 Rs.52650(55,216) and FY 2009-10 Rs 488935.

(14) IDBI Bank had cancelled a term loan of Rs 17 crores and cash credit of Rs 3 crores, causing the project of hollow core blocks of Rs 47 crores to be aborted. .Project expense of Rs1912 lacs has not been written off and its relocation possibilities are still being explored.However certain amounts may still have to be written off after incurring relocation costs. Further estimated losses are expected to be Rs 8 to 9 crores on this account.

(15)Secured loan of Rs 24.06 cr from Bank of India was raised for export packing credit and foreign bills purchase facility. However the bank has issued a legal notice and recalled for loan of Rs 26.27 cr including interest upto Sep 2011.

(16) Cancellation of term loan and recall of working capital by IDBI in respect of our investee company M/S Kare Labs P Ltd compelled the company to resort to disinvestment causing a loss of Rs 2.53 crores.

**For and on behalf of the Board**

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

**Subhabrata S Datta  
Chairman**

**S R Pandian  
Whole Time Director**

**S.U.RADHAKRISHNANI  
PROPRIETOR  
M. No. 31760  
Place : Mumbai  
Date : 1<sup>st</sup> September, 2012**



# INDO BONITO MULTINATIONAL LIMITED

Regd. Office : A 729, TTC Industrial Area Koparkhairne, Navi Mumbai 400 705

## PROXY FORM

18<sup>TH</sup> ANNUAL GENERAL MEETING ON 28<sup>TH</sup> SEPTEMBER, 2012

Regd. Folio No. .... DP  
ID: ..... Client ID  
No. .... No. of Shares  
held .....

I/We..... of .....being a Member/ Members of the above named Company hereby appoint Mr./Ms. .... of ..... or failing him/her ..... of ..... as my / our proxy to attend and vote for me/ us on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held on Friday, 28<sup>TH</sup> September,2012 at 1.30 P.m. at Office No. B-121, Balaji Bhavan, Plot No. 42A, Sector- 11, CBD Belapur, Navi Mumbai 400 614.

1 RUPEE  
REVENUE  
STAMP

Signed: \_\_\_\_\_  
Date: \_\_\_\_\_

Note: Proxy Form must reach the Company's Registered Office not less than 48 (Forty- Eight) hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

# INDO BONITO MULTINATIONAL LIMITED

Regd. Office : A 729, TTC Industrial Area Koparkhairne, Navi Mumbai 400 705

## ATTENDANCE SLIP

(To be handed over at the entrance of Meeting Venue)

18<sup>TH</sup> ANNUAL GENERAL MEETING ON 28<sup>TH</sup> SEPTEMBER, 2012

Regd. Folio No. ....  
DP ID: .....  
Client ID No. ....  
No. of Share held .....

Name of the attending Member (IN BLOCK LETTERS) .....  
Name of the Proxy (IN BLOCK LETTERS) .....(To be filled in by Proxy attending instead of the Member)

I hereby record my presence at the Eighteenth Annual General Meeting of the Company being held on Friday, 28<sup>TH</sup> September,2012 at 1.30 P.m. at Office No. B-121, Balaji Bhavan, Plot No. 42A, Sector- 11, CBD Belapur, Navi Mumbai 400 614.

Members'/Proxy Signature

### Note

1. Interested Joint Members may obtain Attendance Slips from the Registered Office of the Company.
2. Members'/ Joint Members' Proxies are requested to bring the Attendance Slips with them. Duplicate slips will not be issued at the venue