

EXTRUSIONS | ANODISING | POWDER COATING | FABRICATION



ANNUAL REPORT 2009-10



BHORUKA
THE ALUMINIUM ARCADE



Board of Directors	Dr.M.K.Panduranga Setty Shri R.K.Aggarwal Shri Rajat Agarwal Dr. B.L. Amla Shri Prabir Chakravarti	<i>Chairman</i> <i>Managing Director</i> <i>Executive Director</i>
Chief Financial Officer	Shri Ajay Kumar Dalmia	
Company Secretary	Shri Pranab Panigrahi	
Bankers	State Bank of India	
Statutory Auditors	M/s. R.S Agarwala & Co., Chartered Accountants Bangalore	
Registered Office & Works	# 1, KRS Road Metagalli Mysore – 570 016.	
Listed at	Bombay Stock Exchange Limited Mumbai	
Registrars & Share Transfer Agents	M/s Karvy Computershare Private Limited 17-244, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081.	

30th Annual General Meeting

Date :

Wednesday, 1st September, 2010

Venue :

**Registered Office of the Company
1, KRS Road, Metagalli, Mysore - 570 016**

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NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of the Company will be held on Wednesday, the 1st September, 2010 at 11.45 a.m, at the Registered Office of the Company at No.1, KRS Road, Metagalli, Mysore-570 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended as on that date together with the report of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Dr. B.L.Amla, who retires by rotation and, being eligible, offers himself for re - appointment.
3. To appoint Statutory Auditors and authorise the Board to fix their remuneration.

SPECIAL BUSINESS

4. Variation in terms of remuneration of Executive Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**

“RESOLVED THAT in partial modification of the earlier resolution passed with respect to the appointment of Shri Rajat Agarwal, Executive Director of the Company, and on the recommendation of the Remuneration Committee, the consent of the Company be and is hereby accorded under Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of Central Government wherever necessary, to increase the remuneration of the aforesaid Executive Director with effect from 1st April, 2010 from Rs. 12,00,000/- p.a. to Rs. 30,00,000/- p.a. as the details of the same are set out in the Explanatory Statement annexed hereto for the remainder of his tenure and further with specific authority to the Board of Directors of the Company (hereinafter referred to as “the Board”), to alter and vary the terms and conditions including the remuneration or any amendment thereto as may be agreed to between the Board and Shri Rajat Agarwal”.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to take all such steps and to do all such things as may be necessary from time to time for giving effect to the above resolution and matters incidental thereto.”

5. Re-classification of Authorised Share Capital

To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT in supersession of the earlier resolution passed by the Members and pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents as may be necessary, 2,50,000 (Two Lakh Fifty Thousand Only) Un-classified Shares of Rs. 10/- (Rupees Ten) each as

incorporated in Clause V of the Memorandum of Association, be and is hereby re-classified into 2,50,000 Equity Shares (Two Lakhs Fifty Thousand Only) of Rs.10/- (Rupees Ten) each ; shall rank pari passu with the existing Equity Shares of the Company”.

6. Increase in Authorised Share Capital

To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1956 the Authorised Share Capital of the Company be and is hereby increased from Rs.15,00,00,000/- (Rupees Fifteen Crores Only) to Rs.35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000 (Three Crores Fifty Lakhs Only) Equity Shares of Rs.10/- (Rupees Ten) each ranking pari passu with the existing Equity Shares of the Company”.

7. Alteration to the Capital Clause in Memorandum of Association

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**

“RESOLVED THAT upon passing of the resolution at item No.5 and 6 and pursuant to Section 94 and other applicable provisions if any, in the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following Clause V which will read as follows;

V. The Authorised Share Capital of the Company is Rs.35,00,00,000/= (Rupees Thirty Five Crores only) divided into 3,50,00,000 (Three Crores Fifty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten) each.

8. Issue of New Securities

To consider and, if thought fit, to pass with or without modification the following resolution as **SPECIAL RESOLUTION :**

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any modification or re-enactments thereof, for the time being in force), subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and subject to provisions of the listing agreement entered into by the Company with the Bombay Stock Exchange Limited where the Company's shares are listed and subject to any other necessary approval, consent, permission and/or sanction of the Central Government, Reserve Bank of India, Ministry of Finance, and/or any other appropriate authorities, including Banks, Financial Institutions or other creditors; subject to the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended and all applicable regulations framed and notifications issued thereunder; Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, including the guidelines for Qualified Institutions Placement prescribed in Chapter VIII thereof; subject to such conditions as may be prescribed by any of them while granting any such approval,

consent, permission or sanction and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”) and/or by duly authorised persons thereof for the time being exercising the powers conferred on the Board by this resolution, consent and approval of the members of the Company be and is hereby accorded to create, issue, offer and allot, in the course of one or more domestic offering(s) and / or in the course of an international offering to eligible such investors including foreign, resident (whether institutions, incorporated bodies, banks, Insurance companies, mutual funds and / or individuals or otherwise) Qualified Institutional Buyers, Foreign Institutional Investors, Indian and / or multilateral Financial Institutions, Non Resident Indians, or such investors whether they are members of the Company or not, by way of circulation of an offering circular or prospectus or by way of private placement, Qualified Institutional Placements (QIPs) / Foreign Currency Convertible Bonds (FCCBs) / Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) (hereinafter referred to as “Securities”), in the aggregate principal amount not exceeding US \$ 40 millions (United States Dollars Forty Millions Only) or equivalent amount in India or any other currency as the case may be, in one or more tranches to be subscribed in Indian / foreign currency, which, at the option of the holders of the securities may be converted into equity shares of the Company, and that such issue and allotment be made in one or more tranches, on such terms and conditions as may be decided and deemed appropriate by the Board and/ or by the authorised persons of the Board at the time of issue and allotment.

RESOLVED FURTHER THAT the pricing of the securities shall be in compliance with the applicable laws, guidelines and regulations and, further, that securities that may be issued pursuant to a QIP shall be in accordance with the applicable SEBI Guidelines / Regulations which presently provide for a price not less than the average of the weekly high and low of the closing price of the related securities quoted on the Bombay Stock Exchange Limited during the two weeks preceding the “relevant date”.

RESOLVED FURTHER THAT the “relevant date” means the date of the meeting in which the Board decides to open the proposed issue or as may be determined in accordance with applicable laws, rules, regulations, guidelines and approvals.

RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of securities may have all or any terms or combination of terms in accordance with international practices including but not limited to conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever, and all such terms as are provided in issue of securities of this nature internationally including terms for issue of equity shares upon conversion of the securities or variation of the conversion price of the securities during the term of the securities and the Company is also entitled to enter into and execute all such arrangements/agreements as the case may be with any Merchant Bankers, Lead Managers, Managers, Underwriters, Custodians, Advisors, Depositories and all such agencies as may be involved or concerned in such offerings of securities and to remunerate all such agencies including the payment of commissions, brokerage, fees, etc. and also to seek the listing of any or all of such securities or securities representing the same in one or more stock exchange(s) outside India.

RESOLVED FURTHER THAT the securities issued in foreign markets shall be deemed to have been made abroad and/or in the international market and/or at the place of issue of the securities in the international market and may be governed by foreign laws, as applicable.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorised by the Company for the issue, upon conversion of the securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations and under the forms and practices prevalent in the international markets.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such equity shares shall rank pari passu with the then existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of securities or securities representing the same or equity shares, as described herein above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at their discretion deem necessary or desirable for such purpose, including without limitation the utilization of issue proceeds, entering into of underwriting and marketing arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.”

By order of the Board

Place : Mysore
Date : 31st July, 2010

Pranab Panigrahi
Company Secretary

NOTES:

1. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting under item No. 4 to item No. 8 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books will remain closed from Monday, the 30th August, 2010 to Wednesday, the 1st September, 2010 (both days inclusive).

5. Company's shares have already been admitted for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Members are requested to convert their physical holdings into demat. Members opting to convert their physical holdings into demat form can send their share certificates to the Registrars and Share Transfer Agents , **M/s. Karvy Computershare Private Limited**, 17-244 Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 through their Depository Participant (DP).
6. Any change in particulars including address, bank mandate and nomination of shares held in demat form, should be notified only to their respective Depository Participants (DP) where the members are maintaining their demat account. However, any change in particulars in respect of shares held in physical form should be sent to the Company's Registrars and Share Transfer Agents as mentioned above.
7. The Shareholders, who have not encashed /claimed their dividend declared for the year 2007-08 are requested to encash /claim the same by corresponding either with the Company Secretary or sending their query to **karvy at mailmanager@karvy.com** quoting the Unit name as "**Bhoruka Aluminium Limited**".
8. As per SEBI circular MRD/DoP/Cir-05/2009 dated 20th May, 2009 all the shareholders holding shares in physical form are required to submit the self attested PAN card copy to the Registrars and Share Transfer Agents. Hence, Shareholders holding physical share certificates are requested to submit their self attested copy of the PAN CARD to Company's Registrars and Share Transfer Agents.
9. Members are requested to avail the nomination facility.
10. The brief profile of the Director proposed to be appointed / re-appointed is furnished in the Corporate Governance Report.
11. A copy of Memorandum and Articles of Association of the Company will be available for inspection by the Shareholders of the Company during the business hours.

By order of the Board

Place : Mysore
Date : 31st July, 2010

Pranab Panigrahi
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT (Pursuant to section 173(2) of the Companies Act, 1956)

Item No. 4 : Variation in terms of remuneration of Executive Director

The Annual turnover of the Company has seen a significant increase in quantitative terms from 6246 M.T to 7992 M.T. However, in value terms, the increase is from Rs. 129 Crores in the financial year 2008-09 to Rs. 137 Crores in 2009-10 are due to lower prices of aluminium. The job responsibilities of Shri Rajat Agarwal, Executive Director has been increased significantly.

Hence, as per the Remuneration Policy of the Company and Executive Director's increased responsibilities the remuneration committee at its meeting held on 24th April, 2010 has recommended to revise his remuneration from Rs.12 Lakhs per annum to Rs. 30 Lakhs per annum as detailed below with effect from 1st April, 2010 in accordance with the Schedule XIII read with Section 198, 269, 309, 310 and other applicable provisions of the Companies Act, 1956 and further subject to the approval of Shareholders in the ensuing General Meeting of the Company.

Basic Salary Rs. 2,00,000/- p.m.

Other perquisites and Allowances:

In addition to the basic salary, the Executive Director shall also be entitled to such facilities, perquisites and allowances, which may include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowances for utilisation of gas, electricity, water, furnishing and repair; medical reimbursement; leave travel concession for self and family including dependents; club fees (maximum two clubs); provision for car with chauffer, medical accidental insurance and such other perquisites, allowances as may be decided by the Board of Directors.

The remuneration payable to Shri Rajat Agarwal, Executive Director, including salary is subject to overall ceiling limit of Rs. 30 Lakhs per annum. Further, where in any financial year comprised by the period of appointment, the Company has no profit or its profits are inadequate, the aforesaid remuneration shall be paid to the Executive Director in accordance with the applicable provisions of Schedule XIII of the said Act and subject to the approval of the Central Government, if any required.

For the purposes of calculating the above ceiling, the said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any other rules framed there under (including any statutory modification(s) or re-enactments thereof, for the time being in force). In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provision for Car for Company's business and telephone at residence for official purpose shall not be considered as perquisites. However, the Company's contribution to Provident Fund, Superannuation or Annuity Fund, gratuity payable and encashment of leave, as per the rules of the Company, shall not be included in the computation of limits for the remuneration which includes salary, perquisites and bonus.

The remuneration payable to Shri Rajat Agarwal, Executive Director requires the approval of

the Shareholders of the Company in General Meeting pursuant to Section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956.

I. GENERAL INFORMATION :

1. Nature of Industry: - Non Ferrous - Manufacture of Aluminium Extrusion
2. Date of commencement of commercial operation - The Company started its commercial activities in the year 1981-82;
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - **N.A.**
4. Financial Performance : (Rs. In Lakhs)

Particulars	Financial Year		
	2009-10	2008-09	2007-08
Turnover	13,713.05	12,907.06	16,790.72
Profit before tax	106.44	(405.78)	703.47
Profit After Tax	77.85	(375.24)	452.32

5. Export performance and net foreign exchange collaborations – Exports during the year 2009-10 was Rs. 161.63 Lakhs
6. Foreign investments or collaborators, if any: -Not Applicable-

II. INFORMATION ABOUT THE APPOINTEE :

1. Background Details – Shri Rajat Agarwal, holds a Bachelor of Science Degree in Business Management with dual specialisation in Management and Economics from Bryant University, U.S.A. and has vast experience. He was formerly worked in various capacities in Measuring Success, LL.C. USA
2. Past remuneration: Upto Rs. 12,00,000/- p.a.
3. Job profile and his suitability - Subject to the superintendence, direction and control of the Board, looks after multifarious functions of the Company.
4. Remuneration proposed - as set out in the explanatory statement for resolution under item no. 4. The remuneration payable to him has also been approved by the Remuneration Committee at its meeting held on 24th April, 2010.
5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin):

Shri Rajat Agarwal possess vast experience, knowledge and expertise skill in Aluminium Extrusion industry. Considering vast experience and his functions, responsibilities, the aforesaid remuneration package is commensurate with present levels of remuneration package is being paid to similar managerial positions in comparable Companies.

6. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any -

Shri Rajat Agarwal, Executive Director related to Shri R.K.Aggarwal, Managing Director of the Company. Excepting this and the remuneration proposed as above, Shri Rajat Agarwal does not have any other pecuniary relationship or interest with the Company.

III. OTHER INFORMATION

- 1) Reasons for loss or inadequate profits:

Due to uneconomical conditions, global melt down, and interest burden the Company's profitability has been affected .

- 2) Steps taken or proposed to be taken for improvements:

The Company has taken various measures to curtail its operational costs in an effective way and market its products in different sectors.

- 3) Expected increase in productivity and profits in measurable terms:

Profitability is expected to during the financial year 2010-11 once the economic condition improves.

Except Shri R. K. Aggarwal, Managing Director and Shri Rajat Agarwal, Executive Director, himself, none of the Directors of the Company are concerned or interested in the said resolution.

The above may also be treated as an abstract under section 302 of the Companies Act, 1956.

Your Directors recommend the passing of the Special Resolution at Item No. 4 of the Notice.

Item No.5 , 6 and 7- Re-classification of Authorised Share Capital, Increase in Authorised Share Capital and Alteration to the Capital Clause in Memorandum of Association

To augment the additional capital requirement it is proposed to re-classify and increase the present authorised share capital of the Company.

Accordingly, the Company propose to reclassify 2,50,000 (Two Lakhs Fifty Thousand Only) Unclassified shares of Rs. 10/- (Rupees Ten) each as mentioned in Clause V of Memorandum of Association into 2,50,000 (Two Lakh Fifty Thousand Only) Equity shares of Rs.10 /- (Rupees Ten) each and also propose to increase the Authorised share capital from Rs.15 Crores to Rs. 35 Crores divided into 3,50,00,000 (Three Crores Fifty Lakhs) Equity shares of Rs.10/- (Rupees Ten) each.

Consequent to the reclassification of unclassified shares into Equity Shares and proposed increase to the Authorised Share Capital of the Company, Clause V of the Memorandum of Association of the Company would require amendment.

Hence, Ordinary Resolutions at item No. 5, 6 and 7 of the Notice are recommended for the Shareholders approval.

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

Item No. 8 – Issue of New Securities

To mobilise funds for Company's expansion plan by setting up of new businesses, renovation and modernisation of existing unit in India (CAPEX) and setting up of offices in India and abroad, part re-payment of high cost debts and for long term working capital purposes, the Company requires fund to enhance the interest of all the stakeholders, for which your Directors decided to go for private placement, Qualified Institutional Placements (QIPs) / Foreign Currency Convertible Bonds (FCCBs) / Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) (hereinafter referred to as "Securities"), in the aggregate principal amount not exceeding US \$ 40 millions (United States Dollars Forty Millions Only) or equivalent amount in India or any other currency, in accordance with the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended and all applicable regulations framed and notifications issued thereunder; Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, including the Guidelines for Qualified Institutions Placement prescribed in Chapter VIII thereof.

Section 81(1A) of the Companies Act, 1956 provides, inter alia, that any further equity shares may be offered to any persons other than the existing shareholders, if a Special Resolution to that effect is passed by the Company in a General Meeting. The Special Resolution gives flexibility and discretion to the Board of Directors so that it can finalise the terms of issue at the relevant time in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such authorities as required to be consulted including in relation to pricing of the issue. Consent of the Members is therefore sought to authorise the Board of Directors to issue the Securities in the manner mentioned in the resolutions.

The salient features of the issue are mentioned in the resolution and Securities will be issued on such terms and conditions as may be appropriate at the time of issue. The pricing of the issue will be subject to applicable Indian Laws and Guidelines. As the pricing of the issue cannot be decided except at a later stage, it is not possible to state the exact price or securities to be issued. The 'Relevant Date' for the applicable Securities shall be as per SEBI Rules and other applicable Guidelines as may be amended from time to time.

Consent of the shareholders is, therefore, sought to authorise the Board of Directors as set out in the Resolution to issue in one or more tranches Securities referred to therein in Indian or International Markets to investors.

The Board is of the opinion that the proposed resolutions are in the best interest of the Company and hence recommends the above resolutions for the approval of Shareholders.

Therefore, a Special Resolution has been incorporated in item No. 8 of the Notice for the approval of shareholders.

None of the Directors are concerned or interested in the above resolutions. However, they may be deemed to be concerned to the extent of change in the percentage of their voting rights in the post equity shareholding in the Company.

By order of the Board

Place : Mysore
Date : 31st July, 2010

Pranab Panigrahi
Company Secretary

Directors' Report

The Board of Directors of your company hereby present the 30th Annual Report together with the audited statement of accounts for the year ended 31st March, 2010.

1. Financial Results:

(Rs.)

Particulars	For the year ended	
	31 March, 2010	31 March, 2009
Sales income	1,371,305,449	1,290,706,310
Profit before interest, depreciation & tax	147,465,737	64,810,968
Financial charges	112,597,016	89,482,333
Depreciation	24,224,826	15,906,671
Profit/(Loss) before tax	10,643,895	(40,578,036)
Provision for taxation		
- Current	-	-
- Deferred (Net)	2,858,502	(3,672,666)
- Fringe Benefit Tax	-	618,468
Profit/(Loss) after tax	7,785,393	(37,523,838)
Add/(Less):Balance brought forward from previous year	(4,912,538)	34,887,305
Profit/(Loss) available for appropriation	2,872,855	(2,636,533)
Proposed dividend	-	-
Tax on proposed dividend	-	-
Transferred to General reserve	-	-
Income-tax of earlier year	368,343	2,276,005
Balance carried to Balance Sheet	2,504,512	(4,912,538)

2. Operations:

Fiscal 2009-10 began as difficult for every one. The economic environment became challenging in all the major markets where we operated. Our greater customer focus and a flexible operational and financial model, however, enabled us to surmount the challenges and emerge stronger from the downturn. We focused our strategy to supply our products to all sectors of industry. The company has adopted drastic measures in all fronts.

The country is still holding its ground in the midst of the global financial crisis. To counter the negative fall out of the global slowdown on the Indian economy, Government of India responded by providing three focused fiscal stimulus packages in the form of tax relief, increased expenditure on public projects along with RBI taking a number of monetary easing and liquidity enhancing measures.

In spite of, rise in input costs, petroleum products, energy, labour, fluctuation in foreign currency exchange and interest on commercial borrowings, your company's turnover during the year

under review was 28% higher in quantitative terms but due to lower prices of raw materials, the sales in terms of value is higher by 6% compared to prior year after taking care of the interest portion on new term loan obtained for commissioning of Third Extrusion Plant. On account of this, the company has made a net profit of Rs. 77.85 lakhs as compared to net loss of Rs.375.24 lakhs in the prior year.

Prospects

Despite all this, the economy posted a remarkable recovery, not only in terms of overall growth figures but, more importantly, in terms of certain fundamentals, which justify optimism for the Indian economy in the medium to long term. However, towards end of the fiscal, most of the developed economies started reporting positive growth. Manufacturing and Service Sector performance started improving.

Aluminium is a highly concentrated industry. With the growing demand of aluminium in India, the Indian Aluminium industry is also growing at larger extent. Aluminium Extrusion industry poised for exorbitant growth in the near future. Aluminium is being eco-friendly metal of the future. Government of India has given more and more thrust for development of Infrastructure projects both in rural, semi-urban and urban areas. Aluminium also considered as a light metal, its major share is from Engineering, Realtor, Construction, Aerospace, Transportation, Shipping, Textiles, Defence, Automobile Industries and other allied Sectors in the future despite the Real estate firms are started booming of course. Aluminium is undeniably an exceptional and very versatile metal its future holds the promise of still unsuspected qualities that will attract even more and more attention to this "Grey Gold".

Your company's constant endeavor by consistently delivering superior value products, the products are designed with great attention to the minutest of details, adheres to very high standards of stringent quality.

3. Preferential Allotment of Shares:

During the year under review, the Company has made preferential allotment of 30,00,000 Equity shares of Rs.10 each at a premium of Rs. 19.50 per share to the bodies corporate as approved by the Shareholders of the company to reduce the interest burden on commercial borrowing.

4. Diversification:

Your company in order to take leverage of advantage of its market position which enjoys across the country including overseas is planning to enter into the activities of producing floriculture, coffee and tea etc. in the near future as a part of diversification as "**Green Innovation**" in addition to the existing manufacturing operation of aluminium extrusion.

5. Dividend:

Fiscal 2009-10 was tough year for all the industry globally and your company's operations were affected with a minimal profit. Hence, your Directors regret their inability to recommend any dividend.

6. Corporate Governance Code:

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance along with the Auditors' Certificate regarding the compliance of the mandatory requirements and also Management Discussion and Analysis are given as annexure to this report.

7. Dematerialisation of Securities:

Company's securities have been admitted for Dematerialisation with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Over 49.11% of our Company's shares have been dematerialised as on 31st March, 2010 to the present paid up capital.

8. Directors' Responsibility Statement:

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956 the Board of Directors of the company hereby state and confirm that:

- i) in the preparation of the Annual Accounts for the year ended March 31,2010, 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;
- ii) the Directors have selected such accounting policies and applied them consistently and 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 March 31, 2010 and of the **profit** of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

9. Directors:

In accordance with the provisions of the Companies Act, 1956, and Articles of Association of the Company, Dr. B.L.Amla, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year Shri S. Krishna Kumar and Shri R.V.Raghavan, ceased to be Directors of the Company. The Board has placed on record its deep sense of appreciation for the contribution made by them during their tenure.

10. Auditors:

M/s. R.S. Agarwala & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1)(B) of the Companies Act, 1956.

11. Cost Auditors:

Pursuant to the provisions of Section 233B of the Companies Act, 1956 and on the recommendation of the Audit Committee, Shri K. Gururaja Rao, Practising Cost Accountant has been appointed as Cost Auditor of the Company to conduct cost audit of books of account.

12. Particulars of Employees U/S 217 (2A) of the Companies Act, 1956:

The information as required under Section 217(2A) of the Companies Act, 1956 read with

Companies (Particulars of Employees) Rules, 1975 as amended, is annexed hereto and forms part of this report.

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/Outgo U/S 217(1) (e) of the Companies Act, 1956:

The particulars required under Section 217 (1) (e) of the Companies Act, 1956 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo are given in a separate statement attached hereto and forming part of this report.

14. Public Deposits:

Your company has not accepted any deposits from the public.

15. Personnel :

The relationship with employees continued to be cordial throughout the year.

Acknowledgement:

Your Directors take this opportunity to convey their sincere thanks to customers, vendors, investors and bankers State Bank of India and various departments of Central and State Governments for their timely assistance, cooperation and continued support.

Your Directors also wish to place on record their appreciation for the committed services by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board

Place: Mysore
Date: 31st July, 2010

Dr. M.K. Panduranga Setty
Chairman

ANNEXURE TO THE DIRECTORS' REPORT:

Particulars required under the Companies (Disclosure of Particulars in the report of Board of Directors') Rules, 1988.

FORM A

CONSERVATION OF ENERGY:

a) Measures taken for Conservation of Energy:

Efforts are taken on continuous basis for conservation of energy resulted in increased productivity per unit of energy.

b) Additional Investment Proposals:

Not quantifiable since expenditure are incurred normally through the system of maintenance and improvement.

POWER AND FUEL CONSUMPTION:

Particulars	Current year 2009-10	Previous year 2008-09
1. Electricity:		
a. Purchased:		
Karnataka Power Transmission Corporation Ltd. Units (KWH)	8,955,360	4,791,770
Total Amount (Rs.) (Inclusive of Demand Charges & Surcharge)	46,885,800	25,473,437
Rate per Unit (Rs.)	5.24	5.32
b. Own Generation:		
i. Through Diesel generation Units (KWH)	815,289	443,037
Unit per litre of Diesel Oil	3.33	3.37
Cost per Unit (Rs.)	11.03	11.03
ii. Through Stream Turbine/Generator	Nil	Nil
c. Others – purchased (KWH)	2,100,000	4,125,000
Rate per Unit (Rs.)	4.36	4.10
2. Coal (Specify quality & Where used)	Nil	Nil
3. Furnace Oil		
Quantity (Kgs)	542,656	546,553
Total Amount (Rs.)	14,086,475	15,048,085
Average rate (per Kg.) (Rs.)	25.96	27.53
4. Others – Internal Generation	Nil	Nil
Consumption per unit of Production		
Products – Aluminium Extrusion		
Production (M.Tons)	7,992	6,246
Electricity units/M. T.	1,485	1,498
Furnace Oil Kgs/MT	67.89	87.51
Coal (Specify quality)	Nil	Nil
Others (Specify)	Nil	Nil

FORM B

FORM FOR DISCLOSURE OF PARTICULARS IN RESPECT OF TECHNOLOGY ABSORPTION:

a. RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by the Company:
Up gradation of existing technologies/products undertaken on continuous basis
2. Benefits derived as a result :
Improved productivity/process efficiencies
Competitive prices and product quality
Safe and environment friendly processes
3. Future plan of action:
Efforts are put forth on continuous basis to improve R & D activity for achieving product quality, productivity and yield.
4. Expenditure on R & D

	Current year 2009-2010	Previous year 2008-2009
a. Capital	-	-
b. Recurring	-	-

b. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:

1. Efforts in brief made towards technology absorption, adoption and innovation: As per 1 above
2. Benefits derived as a result of the above: As per 2 above
3. In case Imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished -Not Applicable-

FORM C

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs.)

Particulars	Current Year 2009-10	Previous Year 2008-09
a. Foreign Exchange Earnings:		
1) Export of Goods (F. O. B)	13,206,482	18,365,199
2) Others	1,711,115	769,100
Total	14,917,597	19,134,299
b. Foreign Exchange Outgo:		
1. Finished goods	-	14,166,116
2. Raw Material	56,985,710	249,264,877
3. Stores & Spares	21,445,465	8,603,410
4. Travel	1,844,581	5,168,355
5. Interest on FCNR (B) & FCNB Loan	11,998,368	12,486,143
6. Capital Equipment	-	85,417,540
7. Others	2,198,166	731,138
Total	94,472,290	375,837,579

Particulars of employees as required u/s. 217(2A)

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 2010.

A. Statement showing particulars of employees who were in employment throughout the financial year and are in receipt of remuneration of not less than Rs.24,00,000/= per annum in the aggregate.

Name of the employee	Age years	Designation	Gross remuneration (Rs.)	Qualifications	Exp. years	Date of Commencement of employment	Particulars of last employment	
							Employer	Post last held
Shri R.K. Aggarwal	54	Managing Director	2,216,673	B.Com, MBA, USA	30	Since 1979	-N.A.-	
Shri Rajat Agarwal	27	Executive Director	951,136	B.Sc. Economics and Management USA	06	Since 2006	Measuring Success, LL.C USA	

B. Statement showing particulars of employees who were in employment for part of the financial year and are in receipt of remuneration of not less than Rs.2,00,000/= per month

Name of the employee	Age years	Designation	Gross remuneration (Rs.)	Qualifications	Exp. years	Date of Commencement of employment	Particulars of last employment	
							Employer	Post last held
Shri R.K. Jain	50	Chief Executive Officer	46,82,007	B.Com, FCA	25	Since 1999	Nezone Tubes Ltd.	Chief Executive

Notes:

1. The appointments are contractual. Other terms and conditions are as per the Company Rules
2. Remuneration includes, salary, allowances, medical benefits and company's contribution to Provident Fund and monetary value of perquisites at cost to the Company.

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

To the Members
Bhoruka Aluminium Limited

We have examined the compliance of the conditions of Corporate Governance by Bhoruka Aluminium Limited for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the aforementioned Listing Agreement.

On the basis of records maintained by the Company, we state that during the year ended 31st March, 2010, no Investors' Grievances were pending for a period exceeding one month.

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

For R.S. Agarwala & Co.,
Chartered Accountants

M. Gandhi
Partner

Membership No. 22958

Place : Mysore
Date : 31st July, 2010

MANAGEMENT DISCUSSION AND ANALYSIS

A. INDUSTRY STRUCTURE:

Fiscal 2009-10 was a tough year for the Aluminium Extrusion Industry. The economic environment became challenging in all fronts despite signs of recovery from the global financial crisis. Consequently, many of our customers decelerated their businesses. Our greater client focus and various innovative measures, however, enabled us to surmount the challenges and emerge stronger from the downturn. During the tough economic environment, we focused our efforts on gaining the market in other sectors of industry in addition to the existing sectors. As the industrial sector, particularly manufacturing, bore the brunt of global financial crisis.

Government of India has administered various fiscal stimulus packages to revive growth. Industrial growth picked up to 5.0 percent in the first quarter 2009-10 and manufacturing to 3.4 percent. However, there was persistence weak demand during the year under review. Unless demand picks up strongly, manufacturing growth cannot be sustained. However, the Index of Industrial Production shows a robust growth of 7.4 percent in 2009-10.

In spite of all the odds, the company could sale 7924 MT during the fiscal ended 31st March, 2010 as compared to 6358 MT in the prior year.

In this tough scenario, the company has mainly focused relentlessly on supplying to other sectors from existing, maintained utmost quality and timely delivery.

The Indian economy is steady and stronger, India is fast emerging as a global manufacturing hub. India has all the requisite skills in product, process and capital engineering.

The Union Budget 2010-11 was presented at a time when the Indian economy is on the path of revival and almost all demand indicators have turned significantly positive. Investment and consumption demand has been on a revival mode. The buoyancy in the manufacturing sector and upstick in import and export demand bodes well for economic growth prospects.

In the current economic scenario, outlook for your company remains bright in view of its excellent quality products with brand image, timely delivery and customer satisfaction. Government of India's thrust on semi-urban, rural housing scheme in every 1000 population and building up of infrastructure development on priority through out the country. Government has introduced many progressive measures to unlock the potential of the real estate sector is a good boom for Aluminium Extrusion Industry.

B. OPPORTUNITIES

The emerging economies are an exciting reality today, fast changing global business dynamics, innovation, talent and technology are now being shaped and led by them. During the end of the fiscal, most of the developing and developed economies started reporting positive growth. With India set to one of the top five markets in the world, the focus has shifted to clear technologies to offer the best to both customers and the Industry. Light weighting is considered as one of the solutions to improve the fuel efficiency, every component in a vehicle has the potential for different light-weighting gains, aluminium components play a vital role. In addition to this there

is a huge demand for Aluminium Extruded Products from Engineering, Electrical and Electronic Industry, Transportation, Aerospace, Shipping, Solar, Defence, Real Estate Firm, Construction and Textile Industries. The consumption pattern of aluminium in India is different from that of global. Electrical, consumer durable, transport, building and construction, industrial and packaging, aerospace, are the sectors that widely uses aluminiums.

Aluminium extrusions, with its many inherent qualities like less weight, versatility, corrosion resistance, aesthetic, eco friendly, versatile etc. Wonderful material is Aluminium and Aluminium is future metal of the world.

C. THREATS

Fluctuation in aluminium raw material prices, foreign currency exchange rates, supply of aluminium by few large manufacturers in the domestic market are some of the threats. These suppliers thriving on unwarranted import tariff, adjust the domestic prices frequently, causing hardship to consumers coupled with dumping of low quality aluminium extrusions by neighbouring countries.

D. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has internal control system commensurate with its size and nature of business, to ensure that all assets are safeguarded and protected against unauthorised use and that all transactions are authorised, recorded and correctly reported. The internal control systems are supplemented by clearly defined levels of authority, policy, guidelines and procedures. A firm of well experienced Chartered Accountants who regularly conduct quarterly internal audit and advise the management whenever requirement arises.

E. DISCUSSION ON FINANCIAL PERFORMANCE

1. Share Capital

At present, we have only one class of shares – equity shares of par value Rs.10 each. Our authorised share capital is Rs. 150,000,000 divided into 14,750,000 equity shares of Rs.10/- each and 250,000 unclassified shares of Rs.10 /- each.

The issued, subscribed and paid up capital as at March 31,2010 and March 31,2009 were Rs. 7.54 Crores and Rs. 4.54 Crores respectively.

During the year, company had made preferential allotment of 3,000,000 equity shares of Rs.10/- each at a premium of Rs.19.50 per share to bodies corporate. Consequently, the issued, subscribed and paid up capital increased by Rs. 3 Crores.

2. Results of Operation

The year under review was tough and your Company experienced unprecedented challenges. Net turnover for the year ended 31st March, 2010 stood at Rs.126.65 Crores as compared to Rs. 116.49 Crores in the prior year. Closing a challenging year, the year ended with a net profit of Rs.77.85 lakhs as against a net loss of Rs.375.24 lakhs after servicing the interest on new term loan obtained for commissioning of Third Extrusion Plant.

F. INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT

The company recognises the contribution and importance of its employees in today's highly competitive and challenging environment and it has been systematically developing the skills and empowering its employees. Employees are encouraged to take on new roles and expand their horizons. Training needs at different levels are identified through an Annual Performance Appraisal System and need based training programmes are regularly organised for all levels of employees. A number of job rotations were done to enhance employees' skills as well as to enrich their work experience. The Company's benchmark processes and systems around Performance Management, Rewards and Recognition, Competency and Capability Building, Succession Planning, etc. among others.

As before, the industrial relations continued to remain cordial at all levels, during the year.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

Bhoruka Aluminium Limited's philosophy envisages transparency, integrity and accountability of the management team. The Company is continued to focus in its efforts for protecting the interest of stakeholders.

2. BOARD OF DIRECTORS

The Board comprises of five Directors of which three are Non-Executive and independent Directors. The Chairman is also Non-Executive and independent Director.

a) Board Composition as on 31st March, 2010

Sl.No.	Name of the Director	Category
1	Dr. M.K. Panduranga Setty	Non-Executive Chairman
2	Dr. B.L. Amla	Non-Executive Director
3	Shri Prabir Chakravarti	Non-Executive Director
4	Shri R.K.Aggarwal	Managing Director
5	Shri Rajat Agarwal	Executive Director

b) During the financial year six meetings of the Board of Directors were held viz. on 27th May, 2009, 24th July, 2009, 24th October, 2009, 23rd January, 2010, 16th February 2010 and 22nd March , 2010.

c) Number of Board Meetings held and the attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies are as under:

Sl. No.	Name of the Director	No. of Meetings held	Attendance Particulars		No. of other Directorships (excluding Directorship in Pvt Company)	Committee Membership held in other Companies	
			Board Meetings	Last AGM		As Member	As Chairman
1.	Shri S. Krishna Kumar	6	3	Yes	1	1	Nil
2.	Dr. M.K. Panduranga Setty	6	6	Yes	3	Nil	Nil
3.	Dr. B.L. Amla	6	6	Yes	1	Nil	Nil
4.	Shri Prabir Chakravarti	6	6	Yes	9	6	Nil
5.	Shri R.K. Aggarwal	6	6	Yes	2	Nil	Nil
6.	Shri Rajat Agarwal	6	6	Yes	Nil	Nil	Nil
7.	Shri R.V. Raghavan	6	4	Yes	3	3	Nil

Note: Shri S.Krishna Kumar and Shri R.V.Raghavan, ceased to be Directors w.e.f. 16th February, 2010 .

d) Re-appointment of Director

At the ensuing Annual General Meeting, Dr. B.L.Amla, Director, retires by rotation and being eligible, offers himself for re-appointment.

The Brief Profile of the Director proposed to be re-appointed is as follows:

Dr. B.L. Amla aged 79 years is M.S from Cornell University, Ithaca, New York and has done Ph.D. with specialization of Food Technology, Dairy Technology, Food Engineering, Nutrition from University of Massachusetts, Amherst both from United States of America (USA). He has joined the Board of your Company in 1991.

Dr. Amla has had a brilliant academic career. He started his career as Research Instructor to University of Massachusetts, Amherst, USA in 1955. Later he served in various capacities had been designated as Asst. Professor before he joined as Pool Officer in CSIR, New Delhi. He worked for Central Food Technological Research Institute, Mysore in various positions like Director, Acting Director and Chairman, Industrial Research Consultancy & Extension & Experiment stations. He also served as Senior Advisor (Food Technologist) for World Bank, Washington, D.C from 1978 - 1982.

He was Director in Mysore Fruit Canning Products Bangalore and Managing Director in Amco Cold Storage and Fruit Products, Jammu and Kashmir State. During 1972-76 Dr. B.L. Amla served several Distilleries Companies as an Advisor including as Food Technologist to University of Massachusetts, Amherst, USA.

He had been honoured by Prof. V. Subramanyan Industrial Achievement Award, Doctorate Degree of Science from Mangalore Univeristy and Karnataka Rajyotsava Award from the Government of Karnataka.

COMMITTEES OF THE BOARD

3. AUDIT COMMITTEE

The role of the Audit Committee includes:

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflects true and fair view.
- b) Recommendation of appointment and removal of external auditor/internal auditor(s) and fixation of their remuneration.
- c) Review of financial statements before submission to the Board.
- d) Review with the management, and appointment of external and internal auditors, and the adequacy of internal control systems.
- e) Review the adequacy of internal audit functions, including the structure of the internal audit department.
- f) Discussion with internal auditors on any significant findings and follow up thereon.
- g) Review the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences, the nature and the scope of Audit as well as have post audit discussion.

- i) Review the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, stakeholders (in case of non - payment of declared dividends) and creditors.

Composition of the Audit Committee as on 31st March, 2010 is as under:

SI No.	Name of the Director	Title	Status
1.	Dr. M.K. Panduranga Setty	Chairman	Independent and Non-Executive Directors
2.	Dr. B.L. Amla	Member	
3.	Shri Prabir Chakravarti	Member	
4.	Shri R.K. Aggarwal	Member	Managing Director

The committee has been reconstituted by inducting Dr.M.K.Panduranga Setty as Member Chairman in place of Shri S. Krishna Kumar who has ceased to be Director of the company effective 16th February, 2010.

During the year four meetings of the Audit Committee were held viz on 27th May, 2009, 24th July, 2009, 24th October, 2009 and 23rd January, 2010.

Attendance of the Committee Members:

Name of the Member	Shri S. Krishna Kumar	Dr. B.L. Amla	Shri Prabir Chakravarti	Shri R.K.Aggarwal
Number of meetings held	4	4	4	4
Meetings present	3	4	4	4

4. REMUNERATION COMMITTEE

Composition of the Remuneration Committee:

SI. No.	Name of the Director	Title	Status
1.	Shri Prabir Chakravarti	Chairman	Independent and Non-Executive Directors
2.	Dr. B.L. Amla	Member	
3.	Dr. M.K. Panduranga Setty	Member	

During the year under review no meeting of the Remuneration Committee was held.

Details of the Remuneration paid to the Directors

(Amount Rs)

Name of Director	Position	Salary	Contribution to P.F	Perks and Allowance
Shri R.K. Aggarwal	Managing Director	9,37,500	90,000	1,189,173
Shri Rajat Agarwal	Executive Director	8,10,000	87,136	54,000

The appointment is terminable by either party giving the other six months notice in writing without assigning any reason and without liability to pay any compensation.

Sitting fee paid to Non-Executive Directors

Sl.No.	Name of the Director	Rs.
1.	Shri S. Krishna Kumar	120,000
2.	Dr. M.K. Panduranga Setty	102,000
3.	Dr. B.L. Amla	164,000
4.	Shri Prabir Chakravarti	164,000
5.	Shri. R.V. Raghavan	62,000

5. SHARE TRANSFER AND INVESTORS' GRIEVANCES COMMITTEE

Role of the Committee is to redress the complaints relating to transfer, transmission of shares, complaints relating the non-receipt of dividend and related matters. Normally the grievances are resolved within a period of 8-10 days keeping the complaints as minimum as possible. This Committee has not met during the year, as there were no complaints received during the year except;

- General enquiry about conversion of physical shares into demat, change of address;
- Issue of demand drafts in lieu of the stale dividend warrants, and the same has been redressed immediately.

Composition

Sl. No.	Name of the Director	Title	Status
1.	Dr. B.L. Amla	Chairman	Independent and Non-Executive Directors
2.	Dr. M.K. Panduranga Setty	Member	
3.	Shri R.K. Aggarwal	Member`	Managing Director

Compliance Officer:

Shri Pranab Panigrahi, Company Secretary for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Listing Agreement entered with the Stock Exchange in India.

6. CODE OF BUSINESS CONDUCT AND ETHICS FOR THE BOARD MEMBERS AND THE SENIOR MANAGEMENT PERSONNEL

The Board of Directors have adopted the Code of Business Conduct and Ethics for the Board Members and the Senior Management Personnel. This Code is available on the Company's website www.bhorukaaluminium.com.

The Company has obtained from all the members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics during the year 2009-10.

7. GENERAL BODY MEETINGS

Date, Venue and time of the last three Annual General Meetings

Financial year	Date & Time	Venue	No. of special resolutions passed
2006-07	18 th September, 2007 at 11.45 A M	# 1, KRS Road, Metagalli, Mysore - 16	One
2007-08	21 st July, 2008 at 11.45 A M	# 1, KRS Road, Metagalli, Mysore - 16	Nil
2008-09	24 th July, 2009 at 11.30 A M	Golden Landmark Resort #45/ A, KRS Road Metagalli, Mysore - 16	Two

No Special Resolution on matters requiring postal ballot is placed for shareholders approval at this ensuing Annual General Meeting.

8. DISCLOSURES

- i. There are no materially significant related party transactions i.e transactions of the Company of material nature with its promoters, Directors of the management and their relatives etc., that would have potential conflict with the interest of the Company at large. However, the disclosures as required under Accounting Standard -18 are provided in the notes on accounts.
- ii. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review.

Internal Audit functions and Statutory Compliances:

- iii. Internal Audit functions of the Company have been carried out by a firm of Chartered Accountants. The Reports of the Internal Auditors' on the operations and financial transactions and the management action taken report on the internal auditors' observations are being circulated to the Audit Committee for its review.
- iv. For every quarter, the CEO/ CFO makes report on Statutory Compliances which are placed before the Board Meeting.

v. CEO / CFO Certification

The Managing Director and CFO have certified to the Board in accordance with Clause 49 (v) of the Listing Agreement and also as amended, for the financial year ended 31st March, 2010.

9. MEANS OF COMMUNICATION

The Company's Financial Results have been submitted to the Stock Exchange immediately after they are approved by the Board. These Financial Results for first three quarters were published in Economic Times, Times of India and fourth quarter was published in Economic Times and Sanjevani. The same have been posted on the Company's website www.bhorukaaluminium.com

The Management Discussion and Analysis is provided elsewhere in this Annual Report

10. GENERAL INFORMATION TO SHAREHOLDERS

(a) Compliance of Insider Trading Norms

The Company has adopted the Code of internal procedures and conduct for listed Companies notified by the Securities Exchange Board of India (SEBI), prohibiting the Insider Trading. During the year, the Board has also revised the Code of Conduct duly incorporating the amendments made by the Securities Exchange Board of India to the existing provisions. A policy document on internal Code of Conduct is available at the registered office of the Company. Insiders are complying with the code of conduct adopted by the Company from time to time wherever applicable.

(b) Annual General Meeting

As indicated in the notice to our shareholders, the 30th Annual General Meeting of the Company will be held on Wednesday, 1st September, 2010 at 11.45 a.m at the Registered Office of the Company at No.1, KRS Road, Metagalli, Mysore - 570 016.

(c) Financial Calendar 2010-11 (Tentative)

Financial Year	: April 1, 2010 to March 31, 2011
First quarter results	: By the end of July, 2010
Second Quarter results	: By the end of October, 2010
Third Quarter results	: By the end of January, 2011
Fourth Quarter results	: By the end of April, 2011
Annual results for the year ending 31 st March, 2011	: By the end of May, 2011
Annual General Meeting for the year 2010-11	: By the end of July, 2011

(d) Date of Book Closure:

From Monday, the 30th August, 2010 to Wednesday, the 1st September, 2010 (both days inclusive).

(e) Listing of Securities:

Company's shares are listed and traded with Bombay Stock Exchange Limited (BSE) Annual Listing Fees for the year 2010-11 has been paid to the Stock Exchange. The Custodian fees for both the Depositories have also been paid for the financial year 2010-11.

Scrip Code: BSE: 506027

Company's ISIN number is INE866G01013

(f) Stock Prices Data

The details of monthly High & Low quotations on Bombay Stock Exchange Limited during the financial year 2009-10 are as under:-

Year 2009-10		Quotation (Rs)	
Month		High	Low
April	2009	21.00	17.20
May	2009	24.30	17.30
June	2009	31.00	21.90
July	2009	23.30	18.45
August	2009	24.35	19.35
September	2009	26.25	22.85
October	2009	24.45	20.95
November	2009	23.75	19.40
December	2009	24.40	19.55
January	2010	34.40	19.35
February	2010	31.55	25.35
March	2010	33.05	27.45

(g) Distribution of Shareholding

The shareholding distribution of equity shares as on 31st March, 2010:

Share Holding Range(s)		Folios		Equity Shares Held	
From	To	Number	Percentage	Number	Percentage
1	5000	4,304	94.89	433,629	5.75
5001	10,000	99	2.18	83,352	1.11
10,001	20,000	59	1.30	94,111	1.25
20,001	30,000	15	0.33	39,571	0.53
30,001	40,000	08	0.18	28,969	0.38
40,001	50,000	05	0.11	23,345	0.31
50,001	1,00,000	13	0.29	114,279	1.52
1,00,001	and above	33	0.73	6,718,644	89.15
Total		4,536	100.00	7,535,900	100.00

(h) Shareholding Pattern as on 31st March, 2010

Particulars	Folios	Percentage	Equity Shares	
			Number	Percentage
Promoters' holding				
Promoters/Relatives	10	0.22	2,655,214	35.24
Non-Promoter holding				
Resident Individual	4,419	97.42	1,070,731	14.21
Non-Resident Individuals	1	0.02	199	0.00
Bodies Corporate	71	1.57	3,641,838	48.33
Overseas Corporate Bodies	-	-	-	-
Foreign Institutional Investors	-	-	-	-
Nationalized Banks	-	-	-	-
Indian Financial Institutions	1	0.02	150,000	1.99
Mutual Fund	1	0.02	1,850	0.02
HUF	29	0.64	15,517	0.21
Clearing Members	4	0.09	551	0.01
Total	4,536	100.00	7,535,900	100.00

(i) Dematerialisation of shares

Trading in Equity Shares is permitted only in dematerialised form as per notification issued by the SEBI.

Our Company's shares have been dematerialised. The Company has appointed M/s Karvy Computershare Private Limited, 17-244, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, as Registrar and Share Transfer Agents (STA) for effecting physical share transfers, transmission, etc and approval for demat of shares and related matters. Members desirous of converting their physical shares into demat are requested to send their share certificates to Share Transfer Agents, M/s. Karvy Computershare Pvt Limited at the above address through their Depository Participants (DPs).

Over 49.11% of our Company's shares have been dematerialised as on 31st March, 2010.

Physical Shares received for physical transfers are generally registered within a period of 10 - 12 days from the date of receipt of the valid and duly filled-up transfer deeds.

(j) There are no outstanding GDR/ADRs

(k) In respect of transfer of physical shares, Shareholders are advised to contact either Compliance Officer, Boruka Aluminium Limited # 1, KRS Road, Metagalli, Mysore - 570 016 or Registrar and Share Transfer Agents (STA) M/s. Karvy Computershare Private Limited, 17-244, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Andhra Pradesh Telephone: 040-23420815-28.

(l) Plant Location & Registered Office

Works and Registered Office: Boruka Aluminium Limited, No.1, KRS Road, Metagalli, Mysore – 570 016, Karnataka, India Phone +91-0821-2582116, 2582982 and +91-0821-4286100.

For Investors' Grievance E-mail : company secretary@borukaaluminium.com

Website of the Company : www.borukaaluminium.com

DECLARATIONS:

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

The Company has obtained from all the members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for the Board Members and the Senior Management Personnel, during the financial year 2009-10.

For **Bhoruka Aluminium Limited**

Place: Mysore
Date: 31st July, 2010

R.K. Aggarwal
Managing Director

CEO/CFO CERTIFICATION

As required by sub clause V of Clause 49 of the Listing Agreement entered with the Stock Exchange, we have certified to the Board that for the financial year ended 31st March, 2010, the Company has complied with the requirements of the said sub-clause.

For **Bhoruka Aluminium Limited**

Place: Mysore
Date: 31st July, 2010

R.K. Aggarwal
Managing Director

Ajay Kumar Dalmia
Chief Financial Officer

AUDITORS' REPORT TO THE MEMBERS

1. We have audited the attached Balance sheet of M/s. BHORUKA ALUMINIUM LIMITED as at March 31, 2010, and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches of the Company, not visited by us;
 - (c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, comply with applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2010 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - (ii) in the case of the Profit and Loss Account, of the **profit** for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **R.S. Agarwala & Co.**,
Chartered Accountants

M. Gandhi
Partner.

Membership No. 22958

Place: Bangalore
Date: 24th April, 2010

ANNEXURE TO AUDITORS' REPORT TO THE MEMBERS

(Referred to the paragraph 3 of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
(c) There was no disposal of substantial part of its fixed assets during the year.
2. (a) Physical verification of inventory has been conducted by the management at reasonable intervals.
(b) The procedure for Physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The Company has maintained proper records of inventory and no major discrepancies were noticed on physical verification.
3. In our opinion and according to the information and explanations given to us,
(a) the Company has taken unsecured loan from a Company amounting to Rs 12,03,45,327/= covered in the register maintained under section 301 of the Companies Act, 1956.
(b) The rate of interest and other terms and conditions of loan taken by the company are prime facie not prejudicial to the interest of the company
(c) The company is regular in payment of principal amount and interest.
(d) The company has not taken or granted any loans, secured or unsecured from companies, firms and other parties, except as reported in Sl.No.3(a) of this annexure, listed in the register maintained under section 301 of the Companies Act,1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, we have not come across any major weakness in the internal control system nor we have been informed of any such instance.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
(a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions with parties exceeding the value of Rupees five lakhs each entered into during the financial year, are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to information and explanations given to us, the Company has not accepted any fixed deposits from the public, under Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records

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under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been made and maintained. We have not, however, made a detailed examination of the same.

9. According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including Provident Fund and Employees' State Insurance, Income-tax, Sales-tax, Custom Duty, Excise Duty, Service-tax, Cess and other statutory dues during the year with the appropriate authorities, and there are no arrears of outstanding statutory dues as on that date, for a period of more than six months except Rs 65,000 on account of service tax which is pending with Central Excise Tribunal, from the date they became payable.
10. The Company doesn't have accumulated loss at the end of the financial year and it has not incurred any losses during the financial year however it has incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the bank.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. The nature of Company's activities during the year is such that clauses (xiii) and (xiv) of paragraph 4 of Companies (Auditors' Report) Order, 2003 are not applicable to the Company for the year.
14. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
15. Based on our audit procedures and information and explanation given by the management, during the financial year the Company has not obtained any term loan.
16. On the basis of information and explanations given to us and on an overall examination of the Balance Sheet and the Cash Flow Statement of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
17. The Company has made preferential allotment of 30,00,000 equity shares during the financial year to bodies corporate other than the parties, and bodies corporate covered under section 301 of the Companies Act, 1956.
18. The Company has not issued any debentures during the year.
19. The Company has not raised any money by way of Public Issue except through Preferential allotment for which the Company has disclosed the end use of money and the same has been verified.
20. Based upon the audit procedures performed and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **R.S. Agarwala & Co.**,
Chartered Accountants

M. Gandhi
Partner.

Membership No. 22958

Place: Bangalore
Date: 24th April, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule No.	As at 31st March 2010 Rs.	As at 31st March 2009 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	01	75,416,500	45,416,500
Reserves & Surplus	02	82,504,512	16,587,462
		<u>157,921,012</u>	<u>62,003,962</u>
Loan Funds			
Secured loans	03	512,963,098	588,218,208
Unsecured loans	04	160,268,327	92,478,510
		<u>673,231,425</u>	<u>680,696,718</u>
Deferred Tax Liability		13,998,731	11,140,229
		<u>845,151,168</u>	<u>753,840,909</u>
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross block	05	710,763,220	662,949,830
Less Depreciation		147,855,207	124,606,776
Net block		<u>562,908,013</u>	<u>538,343,054</u>
Capital Work in Progress		3,361,625	442,804
		<u>566,269,638</u>	<u>538,785,858</u>
Investments	06	<u>10,963,800</u>	<u>10,963,800</u>
Current Assets, Loans and Advances:			
Inventories	07	367,051,897	283,030,860
Sundry debtors	08	328,729,941	151,472,889
Cash and bank balances	09	41,020,004	36,790,710
Loans and advances	10	21,531,265	39,570,364
		<u>758,333,107</u>	<u>510,864,823</u>
Less: Current Liabilities and Provisions:			
Liabilities	11	464,372,411	281,733,333
Provisions	12	26,042,967	25,040,239
		<u>490,415,378</u>	<u>306,773,572</u>
Net Current Assets		<u>267,917,729</u>	<u>204,091,251</u>
		<u>845,151,168</u>	<u>753,840,909</u>
Total Assets (Net)			
Notes on Accounts	19		

Schedule 01 to 12 and Schedule 19 referred to above form an integral part of the Balance Sheet

In terms of our report of even date

For and on behalf of the Board

for **R.S. AGARWALA & CO.,**
Chartered Accountants

Dr. M.K. Panduranga Setty
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi
Partner.
Membership No: 22958

Ajay Kumar Dalmia
CFO

Pranab Panigrahi
Company Secretary

Bangalore, 24th April, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule No.	As at 31st March 2010 Rs.	As at 31st March 2009 Rs.
INCOME			
Sales		1,371,305,449	1,290,706,310
Less: Excise Duty		104,829,855	125,840,142
Net Sales		1,266,475,594	1,164,866,168
Miscellaneous income	13	10,171,218	765,903
Increase/(Decrease) in Stock	14	46,023,452	9,681,925
TOTAL		1,322,670,264	1,175,313,996
EXPENDITURE			
Materials consumed		853,118,362	791,919,710
Purchase of Traded Goods		-	18,541,527
Manufacturing expenses	15	159,648,712	149,698,584
Personnel expenses	16	94,085,913	82,008,107
Selling & Administrative expenses	17	68,351,540	68,335,100
Finance charges	18	112,597,016	89,482,333
Depreciation		24,224,826	15,906,671
TOTAL		1,312,026,369	1,215,892,032
Profit before Tax		10,643,895	(40,578,036)
Provision for Tax			
- Current		-	-
- Deferred		2,858,502	(3,672,666)
- Fringe Benefit Tax		-	618,468
Profit after Tax		7,785,393	(37,523,838)
Balance brought forward from previous year		(4,912,538)	34,887,305
Balance Available for Appropriation		2,872,855	(2,636,533)
APPROPRIATIONS			
Income Tax for Earlier year		368,343	2,276,005
Balance carried to Balance sheet		2,504,512	(4,912,538)
Earning per Share		0.98	(8.77)
Notes on Accounts	19		

Schedule 13 to 18 and Schedule 19 referred to above form an integral part of the Profit and Loss Account

In terms of our report of even date

For and on behalf of the Board

for **R.S. AGARWALA & CO.,**
Chartered Accountants

Dr. M.K. Panduranga Setty
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi
Partner.
Membership No: 22958

Ajay Kumar Dalmia
CFO

Pranab Panigrahi
Company Secretary

Bangalore, 24th April, 2010

SCHEDULES TO THE ACCOUNTS

	31st March 2010 Rs.	31st March 2009 Rs.
1. SHARE CAPITAL		
AUTHORISED		
1,47,50,000 EQUITY SHARES OF RS.10/- EACH	147,500,000	147,500,000
2,50,000 UNCLASSIFIED SHARES OF RS.10/- EACH	2,500,000	2,500,000
	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
75,35,900 Equity shares of Rs. 10/- each fully paid up (3,000,000 Equity Shares issued during the year on preferential basis)	75,359,000	45,359,000
Add: Amount paid on shares forfeited	57,500	57,500
	<u>75,416,500</u>	<u>45,416,500</u>
2. RESERVES & SURPLUS		
Share Premium Account (Received on issue of shares during the year)	58,500,000	-
Central subsidy	1,500,000	1,500,000
General Reserve	20,000,000	20,000,000
Profit & Loss Account - balance	2,504,512	(4,912,538)
	<u>82,504,512</u>	<u>16,587,462</u>
3. SECURED LOANS		
Term Loans		
From Banks		
Secured by First Charge on all movable and immovable assets, both present and future, of the company. (Including foreign currency term loan (FCTL) of Rs 4,48,92,157 (Previous year Rs. Nil) (Repayable within one year Rs.44,918,887 (Previous year Rs. 36,886,350)	261,418,999	293,932,352
Secured by hypothecation of Vehicles acquired under hire purchase agreements	6,316,823	9,250,395
Working Capital Loans from Banks	245,227,276	285,035,461
(Including foreign currency loan (FCNR) of Rs 9,36,15,195 (Previous year Rs.12,96,33,570) Secured by First Charge on all immovable and movable assets, both present and future, of the company. In addition, the above loans are guaranteed by the managing director and a third party	<u>512,963,098</u>	<u>588,218,208</u>
4. UNSECURED LOANS		
Karnataka State Development Loan	923,000	923,000
Deposit including security	120,345,327	-
Others	39,000,000	91,555,510
	<u>160,268,327</u>	<u>92,478,510</u>

5. FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block			
	As at 01.04.2009	Additions	Deletions	Balance as at 31.03.2010	Up to 01.04.2009	For the year	Adjustment on deductions	Balance as at 31.03.2010	As at 31.03.2010	As at 31.03.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land - Freehold	916,423	-	-	916,423	-	-	-	-	916,423	916,423
Building	212,376,078	6,870,017	-	219,246,095	21,048,552	5,059,771	-	26,108,323	193,137,772	191,327,526
Plant & Machinery	366,778,020	a)34,450,305	1,248,939	399,979,386	80,098,451	12,670,853	790,035	91,979,269	308,000,117	286,679,569
Electrical installations	37,582,499	4,709,259	-	42,291,758	9,246,417	1,717,420	-	10,963,837	31,327,921	28,336,082
Computers	10,596,798	1,083,627	-	11,680,425	2,274,534	1,613,335	-	3,887,869	7,792,556	8,322,264
Office Equipments	11,091,773	283,690	-	11,375,463	5,441,991	1,142,670	-	6,584,661	4,790,802	5,649,782
Furniture & fixtures	4,329,487	2,039,891	-	6,369,378	1,932,562	231,435	-	2,163,997	4,205,381	2,396,925
Motor vehicles	19,278,752	51,231	425,691	18,904,292	4,564,269	1,789,342	186,360	6,167,251	12,737,041	14,714,483
TOTAL	662,949,830	49,488,020	1,674,630	710,763,220	124,606,776	24,224,826	976,395	147,855,207	562,908,013	538,343,054
Previous Year	321,240,583	346,377,853	4,668,606	662,949,830	111,633,694	15,906,671	2,933,589	124,606,776		
Capital Work-in-Progress									3,361,625	442,804
Total									566,269,638	538,785,858

a) Includes Interest on borrowings Rs.15,842,912

SCHEDULES TO THE ACCOUNTS

	31st March 2010 Rs.	31st March 2009 Rs.
6. INVESTMENTS (at cost)		
LONG TERM INVESTMENTS-Non-Trade		
Government Securities - Unquoted		
National Savings Certificates / Indira Vikas Patras (Deposited with Sales Tax & Excise Departments)	11,300	11,300
QUOTED		
Fully paid Equity Shares of Joint Stock Companies (All pledged with the Bank)		
51250 TCI Industries Ltd of Rs. 10 each	8,712,500	8,712,500
75500 TCI Finance Ltd of Rs. 10 each	2,240,000	2,240,000
	<u>10,963,800</u>	<u>10,963,800</u>
Market Value of quoted Investments	<u>127,486,975</u>	<u>44,017,910</u>
7. INVENTORIES:		
(As taken valued and certified by the management)		
AT LOWER OF COST AND NET REALISABLE VALUE		
Finished goods	54,064,059	36,351,591
Goods at bonded warehouse	6,742,341	16,802,833
Raw materials	46,824,643	47,942,138
Work in progress	121,075,307	82,703,831
Stores, spares & consumables (At cost)	138,345,547	99,230,467
	<u>367,051,897</u>	<u>283,030,860</u>
8. SUNDRY DEBTORS		
(Unsecured - considered good)		
Outstanding for more than six months	1,768,402	1,032,766
Others	326,961,539	150,440,123
	<u>328,729,941</u>	<u>151,472,889</u>
9. CASH AND BANK BALANCES		
Cash in hand	1,457,550	1,526,388
Balances with Scheduled banks		
- In Current accounts	600,257	2,910,322
- In Deposit accounts*	38,962,197	32,354,000
*Deposited with bank against Guarantee issued and as Margin Money		
	<u>41,020,004</u>	<u>36,790,710</u>
10. LOANS AND ADVANCES		
(Unsecured - considered good)		
Advances recoverable in cash or in kind or for value to be received	8,961,726	22,526,656
Advance Payment of Taxes	2,948,283	2,564,631
Deposits	9,621,256	14,479,077
	<u>21,531,265</u>	<u>39,570,364</u>

SCHEDULES TO THE ACCOUNTS

	31st March 2010 Rs.	31st March 2009 Rs.
11. CURRENT LIABILITIES		
Sundry creditors	464,220,132	280,670,833
Sundry deposits	152,279	1,062,500
	<u>464,372,411</u>	<u>281,733,333</u>
12. PROVISIONS		
Gratuity & Leave Encashment	26,042,967	25,040,239
	<u>26,042,967</u>	<u>25,040,239</u>
13. MISCELLANEOUS INCOME		
Exchange Rate Difference	6,686,798	-
Other Income (TDS deducted Rs. 58,200 Previous year nil)	3,484,420	765,903
	<u>10,171,218</u>	<u>765,903</u>
14. INCREASE/(DECREASE) IN STOCK		
Opening Stock :		
Finished goods	36,351,591	28,516,195
Goods at bonded warehouse	16,802,833	20,003,560
Work in progress	82,703,831	77,656,575
	<u>135,858,255</u>	<u>126,176,330</u>
Less : Closing Stock		
Finished goods	54,064,059	36,351,591
Goods at bonded warehouse	6,742,341	16,802,833
Work in progress	121,075,307	82,703,831
	<u>181,881,707</u>	<u>135,858,255</u>
INCREASE/(DECREASE) IN STOCK	<u>46,023,452</u>	<u>9,681,925</u>
15. MANUFACTURING EXPENSES:		
Power and fuel	99,723,115	79,429,547
Consumption of stores, spares & consumables	54,528,114	57,864,726
Others	1,957,655	8,973,460
Repairs and maintenance to machineries	3,275,601	3,116,819
Repairs and maintenance to buildings	164,227	314,032
	<u>159,648,712</u>	<u>149,698,584</u>
16. PERSONNEL EXPENSES		
Salaries, wages and bonus	78,308,152	67,102,139
Gratuity	3,815,277	4,489,359
Contribution to provident and other funds	3,591,711	3,626,575
Workmen and staff welfare expenses	8,370,773	6,790,034
	<u>94,085,913</u>	<u>82,008,107</u>

SCHEDULES TO THE ACCOUNTS

	31st March 2010 Rs.	31st March 2009 Rs.
17. ADMINISTRATIVE EXPENSES		
Freight outward	2,630,924	6,972,712
Packing charges	26,634,874	19,833,366
Sales Tax and Octroi	2,564,178	4,393,122
Sales Promotion & Advertisement	4,680,323	815,864
Discount & commission	2,867,751	4,694,232
Rent	1,861,440	2,579,350
Rates and taxes	605,576	217,505
Repairs & Maintenance Others	1,295,705	1,711,119
Telephone charges	1,661,169	1,715,545
Printing and stationery	1,281,774	1,184,378
Insurance	1,673,668	2,520,187
Legal and consultancy charges	5,442,775	1,927,520
Exchange Rate Difference	-	1,319,984
Travelling & conveyance expenses	8,219,328	11,525,503
Directors' Remuneration		
Salaries & Allowance	1,747,500	2,520,000
Fees	612,000	94,000
Auditors Remuneration	75,000	75,000
Sundry Balances written off (Net)	-	114,162
Miscellaneous expenditure	4,208,534	3,036,534
Loss on Sale of Fixed Assets	289,021	1,085,017
	68,351,540	68,335,100
18. FINANCE CHARGES		
Fixed loans	23,069,128	7,239,387
Other loans	77,482,115	76,930,651
Other charges	14,479,032	7,243,928
	115,030,275	91,413,966
Less: Interest received	2,433,259	1,931,633
(Tax at source Rs.2,88,608 Previous year Rs.4,06,540)	112,597,016	89,482,333

19. NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES :

BASIS OF PREPARATION OF ACCOUNTS

The Financial Statements have been prepared in compliance with all material aspects of the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and based on historical cost convention on accrual basis.

RECOGNITION OF INCOME & EXPENDITURE

Sales are inclusive of excise duty. Materials returned / rejected are accounted in the year of return / rejection. Expenses are accounted on accrual basis net of service tax, wherever applicable and provision is made for all known losses and liabilities.

FIXED ASSETS

Fixed Assets are stated at cost of acquisition. Direct costs comprising of purchase price, import duties, levies and any other directly attributable costs of bringing the asset to their working condition are capitalised.

Depreciation is provided on Fixed Assets from the date of assets are put to use, on a straight line method, at rates prescribed under Schedule XIV of the Companies Act, 1956.

INVENTORIES

Finished goods and raw materials are valued at lower of cost or the net realisable value inclusive of excise duty as recommended under Accounting Standard (AS-2). Work-in-progress process and Consumable stores and spares are valued at cost using the first-in first out method.

A periodic review is made of slow moving stock and appropriate provisions are made for anticipated losses, if any.

INCOME TAX

Current Income-tax is determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax liability is recognised, subject to consideration of prudence, on timing differences, representing the differences between the taxable income and accounting income that originated in one period and capable of reversing in one or more subsequent periods. Deferred tax assets and liabilities are measured using current tax rates.

INVESTMENTS

Investments are classified into current and long term investments and stated at cost. Provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of long term investments.

RETIREMENT BENEFITS

Retirement benefits in the form of provident fund, gratuity and leave encashment is accounted on actuarial basis and charged to profit and loss account

FOREIGN CURRENCY TRANSACTIONS

Export Sales and import purchases are accounted at the rates prevailing at the date of transaction. Gain and losses on settlement of such transactions and from translation of monetary assets and liabilities are accounted in the profit and loss account.

IMPAIRMENT

Impairment of Assets is assessed at each balance sheet date and loss is recognised whenever the recoverable amount of an asset is less than its carrying amount.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

(Rupees in Lakhs)

Particulars	31 st March, 2010	31 st March, 2009
Bills discounted with Banks	2008.37	1044.11
Bank Guarantees outstanding	52.38	41.38
R.O.R	194.43	194.43
Service tax under dispute	0.65	0.65

3. DIRECTORS' REMUNERATION:

(Rupees)

Particulars	31 st March, 2010	31 st March, 2009
Managing Director		
Salary & Allowances	9,37,500	1,500,000
Money value of Perquisites	1,189,173	944,680
Contribution to Provident & other Funds	90,000	180,000
Executive Director		
Salary & Allowances	810,000	1,020,000
Money value of Perquisites	87,136	30,000
Contribution to Provident & other Funds	54,000	129,600

The above does not include contribution to gratuity fund and provision for encashable leave, L.T.A, which is actuarially calculated on an overall basis.

4. In terms of Accounting Standard (AS-11) "The Effect of changes in Foreign Exchange Rates" on translation of monetary items at the year end exchange rate, there is notional exchange gain of Rs.29,92,500 which has been accounted in the Profit & Loss Account.

5. SEGMENT INFORMATION:

The operation of the company is primarily engaged in the business of manufacturing, processing and dealing in Aluminium Extrusions. Since all the activities are governed by the same set of risk and returns, these have been grouped as a single segment. In view of this the segment reporting prescribed under Accounting Standard – 17 is not applicable to the company.

6. DISCLOSURES:

Related parties with whom transactions have taken place during the year:

Key Management Personnel:

Shri R.K. Aggarwal

Managing Director

Shri Rajat Agarwal

Executive Director

Related Parties:

Name	Nature of Relationship	Transactions (Rupees)		
		Nature	Amount	Outstanding as on 31 st March, 2010
Bhoruka Agro Greens Limited	Associate	Purchase Loans Received Interest	2,020,278 119,600,000 858,576	120,345,327
Bhoruka Fabcons Private Limited	Associate	Sales Purchase Advance given	25,960,064 2,400,053	14,794,854 7,200,000
Maverick Infotec Private Limited	Associate	Services	15,00,000	1,287,270
Urmila Agarwal	Associate	Rent	960,000	Nil

7. EARNINGS PER SHARE:

Particulars	31 st March, 2010	31 st March, 2009
No. of equity shares (Nos.in lakhs)	75.359	45.359
Net profit /(loss) after tax available for equity shareholders (Rs. In lakhs)	77.854	(397.99)
Basic earning per share of Rs. 10/- each	0.98	(8.77)
Diluted earning per share of Rs. 10/- each	0.98	(8.77)

8. AUDITORS' REMUNERATION:

(In Rupees)

Particulars	31 st March, 2010	31 st March, 2009
Audit fees	60,000	60,000
Tax Audit fees	15,000	15,000

9. There are no Micro, Small and Medium Enterprises to whom dues are outstanding for more than 45 days at the year end as determined to the extent such parties have been identified on the basis of information available with the Company.
10. In view of carried forward losses no tax provision is considered necessary in these accounts.
11. Adequate provisions as required by Accounting Standard 15 employees benefits has been made and no further liability on this account is envisaged.

12. HIRE PURCHASE:

Motor vehicles purchased on non-cancelable hire purchase basis:

(In Rupees)

Particulars	31 st March, 2010	31 st March, 2009
Hire purchase expenditure included in Profit and Loss account	893,303	974,183
Total minimum instalments for fixed and non-cancelable term as at year ended	6,316,823	11,291,675
Not later than one year	2,418,887	3,188,464
More than one year less than five years	3,897,936	8,103,211

13. GROUP

Persons constituting Group coming within the definition of “Group” as defined in the Monopolies and Restrictive Trade Practices Act, 1969 include.

1. Smt Sannodevi Agarwal
2. Shri R.K. Aggarwal
3. Smt. Urmila Agarwal
4. Shri Rajat Agarwal
5. Smt. Tanushree Hazarika Agarwal
6. Shri Utsav Agarwal
7. Rockstrong Investments Private Limited
8. Sunbright Investments Private Limited
9. Elegant Enterprises
10. Rajkumar Aggarwal, Karta
11. Rajkumar & Sons (HUF)
12. Bhoruka Agro Greens Limited
13. Bhoruka Fabcons Private Limited
14. Maverick Infotec Private Limited

14. Previous year's Figures have been regrouped / restated wherever necessary to conform to current year's classification.

Additional information pursuant to the provision of paragraph 3 & 4 of part II of Schedule VI

Particulars	March 31, 2010		March 31, 2009	
	Quantity MT	Amount Rs.	Quantity MT	Amount Rs.
Capacity and production				
Class of goods : Aluminium Extrusions				
Installed capacity	18000		18000	
Production	7992		6246	
Job work				
Purchases	-	-	195	18,541,527
Sales - Extrusions Manufactured	7924	1,264,520,089	6211	1,162,449,093
Sales - Extrusions Traded	-	-	147	26,755,602
- Others				3,435,809
- Scrap		1,955,505		2,417,075
Stocks				
Opening Stock	166	36,351,591	131	28,516,195
Stocks at Bonded Warehouse	160	16,802,833	160	20,003,560
Closing Stock	234	54,064,059	166	36,351,591
Stocks at Bonded Warehouse	32	6,742,341	112	16,802,833
Raw Material consumed				
Aluminium ingots/billets/scrap	7941	843,347,118	6344	777,760,770
Alloy metals	89	9,771,244	97	14,158,940
		853,118,362		791,919,710
Value of imported and indigenous raw-materials and stores & spares consumed	Value (Rs)	%	Value (Rs)	%
Raw materials - Imported	40,628,851	4.76%	221,313,388	27.95%
- Indigenous	812,489,511	95.24%	570,606,322	72.05%
	853,118,362	100.00%	791,919,710	100.00%
Stores and spares parts				
- Imported	4,387,001	8.05%	2,997,651	5.18%
- Indigenous	50,141,113	91.95%	54,867,075	94.82%
	54,528,114	100.00%	57,864,726	100.00%

Particulars	March 31, 2010		March 31, 2009	
	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.
Value of Imports on CIF Basis				
Raw materials	40,628,852		214,702,872	
Finished goods	-		18,541,527	
Capital Equipments	-		110,295,736	
Stores and spare parts	16,179,354		29,709,600	
	56,808,206		373,249,735	
Expenditure in Foreign Currency				
Travelling	1,844,581		5,168,355	
Interest on FCNRB, FCNB	11,998,368		12,486,143	
Others	2,198,166		731,138	
	16,041,115		18,385,636	
Earning in Foreign Exchange				
Export on FOB basis	16,162,910		18,365,199	
Others	-		769,100	
	16,162,910		19,134,299	

In terms of our report of even date

For and on behalf of the Board

for **R.S. AGARWALA & CO.**,
Chartered Accountants

Dr. M.K. Panduranga Setty
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi
Partner.
Membership No: 22958
Bangalore, 24th April, 2010

Ajay Kumar Dalmia
CFO

Pranab Panigrahi
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in lakhs)

Particulars	March 31, 2010	March 31, 2009
A. Cash flow from Operating activities		
Net profit before Tax	106.44	(405.78)
Depreciation	242.25	159.07
Loss on Sale of Fixed Assets	2.89	10.85
Interest Payments	1,150.30	914.14
Interest Received	(24.33)	(19.32)
Operating profit before working capital changes	1,477.55	658.96
Adjustments for:		
Increase/Decrease in Trade and other receivables	(1,772.57)	16.98
Increase/Decrease in Trade payables and other Liabilities	1,836.42	680.18
Increase/Decrease in Inventories	(840.21)	(341.08)
Loans and Advances	180.39	(125.33)
Tax paid	(3.68)	(28.94)
Net Cash from Operating Activities	877.89	860.76
B. Cash flow from Investment Activities		
Purchase of Fixed Assets	(524.07)	(3,215.90)
Sale of Fixed Assets	4.09	6.50
Net cash used in Investing activities	(519.98)	(3,209.40)
C. Cash flow from Financing Activities		
Proceeds from issue of Share Capital	885.00	-
Receipts/Repayment of Secured Loans	(752.55)	3,364.52
Receipts/Repayment of Unsecured Loans	677.90	3.03
Interest on Borrowings	(1,125.97)	(894.82)
Net cash from financing activities	(315.62)	2,472.72
Net increase in cash and cash equivalents	42.29	124.08
Opening balance of cash & cash equivalents	367.91	243.82
Closing balance of cash & cash equivalents	410.20	367.91

This is the Cash Flow Statement referred to in our report of even date

In terms of our report of even date

For and on behalf of the Board

for **R.S. AGARWALA & CO.,**
Chartered Accountants

Dr. M.K. Panduranga Setty
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi
Partner.

Ajay Kumar Dalmia
CFO

Pranab Panigrahi
Company Secretary

Membership No: 22958

Bangalore, 24th April, 2010

**Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I Registration Details:

Registration No.	3442	State Code.	8
Balance Sheet Date:	31.03.2010		

II Capital raised during the year

Public Issue	Nil	Bonus Issue	Nil
Rights Issue	Nil	Private Placement	Nil
Preferential Issue	30000000		

III Position of Mobilisation and Deployment of Funds:

Total Liabilities	845,151,168	Total Assets	845,151,168
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Sources of Funds:

Paid up capital	75,416,500	Reserves & Surplus	82,504,512
Secured Loans	512,963,098	Unsecured Loans	160,268,327

Application of Funds:

Net Fixed Assets	566,269,638	Investments	10,963,800
Net Current Assets	267,917,729	Misc. Expenditure	-

IV Performance of Company

Total Income	1,322,670,264	Total Expenditure	1,312,026,369
Profit before tax	10,643,895	Profit after tax	7,785,393
Earning per share in Rupees	0.98	Dividend %	-

V Generic Name of Principal Product (as per monetary terms)

Product Description	Item Code No. (ITC)
Aluminium Extrusions	7604.00



Bhoruka Aluminium Limited

Registered Office:
1, KRS Road, Metagalli, Mysore - 570 016

PROXY FORM

Regd. Folio No. / DP Client ID

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I/We.....of.....in the district of being a member / members of the Company hereby appoint..... of..... in the district of.....or failing him/her.....ofin the district of.....as my / our proxy to attend and vote for me / us on my/ our behalf at the **30TH ANNUAL GENERAL MEETING** of the Company to be held at the **Registered Office of the Company at No.1, KRS Road, Metagalli, Mysore-570 016** at 11.45 a.m on Wednesday, 1st September, 2010 or at any adjournment thereof.

As witness my hand / or hands this.....day of.....2010

Signed by the said.....

Note: The Proxy Form must be deposited at the Registered Office of the Company at No.1, KRS Road, Metagalli, Mysore-570 016, not less than forty-eight hours before the commencement of the meeting.



Bhoruka Aluminium Limited

Registered Office:
1, KRS Road, Metagalli, Mysore - 570 016

ATTENDANCE SLIP

30TH ANNUAL GENERAL MEETING - 2010

Date: 1st September, 2010 Time: 11.45 a.m. Place: Registered Office of the Company at No.1, KRS Road, Metagalli, Mysore-570 016.

Regd.Folio No. / DP Client ID

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No. of shares held

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I/We, certify that I/We, am a Member/Proxy for the Member of the Company. I hereby record my presence at the 30TH ANNUAL GENERAL MEETING of the Company being held at the Registered Office of the Company at No. 1, KRS Road, Metagalli, Mysore-570 016 at 11.45 a.m on Wednesday, 1st September, 2010.

Name of the Member/Proxy
(In BLOCK LETTERS)

Signature of the Member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

Only Shareholders or their Proxies will be allowed to attend the meeting.



**ANNUAL
REPORT
2009-10**



BHORUKA

THE ALUMINIUM ARCADE

Registered Office & Works
BHORUKA ALUMINIUM LIMITED
#1, K.R.S. Road, Metagalli, Mysore- 570 016
email: info@bhorukaaluminium.com
website: www.bhorukaaluminium.com