

ANNUAL REPORT 2010-11

EXTRUSIONS
ANODISING
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FABRICATION



BHORUKA
THE ALUMINIUM ARCADE



CORPORATE INFORMATION

Board of Directors	Dr.M.K.Panduranga Setty Dr. B.L. Amla Shri Prabir Chakravarti Shri R.K.Aggarwal Shri Rajat Agarwal Shri Akhilesh Kumar Pandey	<i>Chairman</i> Director Director <i>Managing Director</i> <i>Executive Director</i> Wholetime Director (w.e.f. 1 st November 2010)
CFO	Shri Ajay Kumar Dalmia	
Company Secretary	Shri Pranab Panigrahi	
Registered Office & Works	# 1, KRS Road Metagalli Mysore – 570 016.	
Statutory Auditors	M/s. R.S Agarwala & Co., Chartered Accountants	
Principal Bankers	State Bank of India	
Registrars & Share Transfer Agents	M/s Karvy Computershare Private Limited 17-244, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. Tel No.040-44655000 Fax No.040-23420814 Toll Free No.1800-3454-001 E-mail : einward.ris@karvy.com Web Site : www.karvy.com Regd.Office : Karvy House 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034	

31st Annual General Meeting

**Date :
Saturday, 24th September, 2011**

Time : 11:30 a.m

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

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NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of the Company will be held on **Saturday, 24th September, 2011 at 11:30 a.m.** at the Registered Office of the Company at No. 1 K.R.S.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, 2011 and the Profit and Loss Account for the year ended as on that date together with the report of the Directors' and Auditors' thereof.
2. To appoint a Director in place of Shri Prabir Chakravarti, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

“ **RESOLVED THAT** Shri Akhilesh Kumar Pandey who was appointed as an Additional Director by the Board of Directors with effect from 1st November, 2010 pursuant to Article 13(a) of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 (“the Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation”.

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

“**RESOLVED THAT** in pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 (Act) (including any statutory modification or re-enactment thereof, for the time being in force) and subject to such sanctions, as may be necessary, the appointment and terms of remuneration as follows of Shri Akhilesh Kumar Pandey as Wholetime Director of the Company for a period of 3 years with effect from 1st November 2010 on the following terms and conditions, be and is hereby approved, with the liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment.

- a) Date of appointment: 1st November 2010
- b) Tenure : 3 (three) years
- c) Remuneration : Remuneration payable to Mr. Akhilesh Kumar Pandey shall be as follows (per month):

Sr. No.	Particulars	Amount in Rs.
1	Basic salary	20,000
2	Conveyance	8,000
3	Special Allowance	18,000
	Total	46,000

d) Other allowances:

Medical Allowance	:	5% of Basic Salary
Leave Travel Concession	:	15% of Basic annual Salary
Contribution to Provident Fund	:	12% of Basic Salary

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Shri Akhilesh Kumar Pandey as Whole time Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, matters, deeds and things as may be necessary to give effect to this resolution.”

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **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-enactment 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; and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or sanction, 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 \$ 30 million (United States Dollars Thirty Million 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 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 its 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.”

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

“**RESOLVED THAT** pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (“the act”), the new set of Articles of Association, as placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved and adopted as new Articles of Association of the Company in the place and exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and take such steps as may be required to give effect to the above resolution.”

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

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 1956 and Articles of Association of the Company and subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure) Regulations, 2009 and such other approvals, permissions and sanctions as may be necessary and subject further to such terms, conditions, alterations, modifications, changes and variations as may be specified while, according such approvals which the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of Directors for the time being authorised by the Board to exercise the powers conferred on the Board by this resolution), be and is hereby authorised to accept, if it thinks fit, the Company be and is hereby authorised to capitalize upto Rs. 27,47,10,710/- (Rupees Twenty Seven Crore Forty Seven Lakh Ten Thousand Seven Hundred Ten Only) out of “**Reserves and surplus**” and transfer to share capital account towards issue and allotment of Equity shares not exceeding 2,74,71,071 (Two Crore Seventy Four Lakh Seventy One Thousand Seventy One) each, as bonus shares credited as fully paid-up to members of the Company holding Equity shares of Rs. 10/- (Rupees Ten Only) each whose names stand on the register of members of the Company on such date (record

date) as the Board may determine in that behalf, in the proportion of 1 (One) new fully paid-up equity shares of Rs.10/- (Rupees Ten Only) each for every 1 (One) Equity shares of Rs.10/- (Rupees Ten Only) each held as on the record date and that the bonus shares so issued and allotted be treated for all purposes as an increase in the nominal amount of the equity capital of the company held by each such member/person and not as income and that the said equity shares be issued and allotted, inter alia, on the following terms and conditions :

- (a) The new equity shares of Rs.10/- (Rupees Ten Only) each to be issued and allotted as bonus shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects and carry the same rights as the then existing equity shares of the company, notwithstanding the date or dates of the allotments thereof, including entitlement to payment of dividend, if declared, for the financial year in which the same are allotted.
- (b) No letters of allotment shall be issued for the bonus shares and the share certificates in respect thereof shall be issued and delivered subject to the provisions of the Companies (Issue of Share Certificates) Rules 1960.
- (c) The members to whom the new Equity shares are allotted, shall accept the same in full and final satisfaction of their respective rights and interest in the capitalized sum of Rs. 27,47,10,710/- (Rupees Twenty Seven Crore Forty Seven Lakh Ten Thousand Seven Hundred Ten Only).
- (d) In case of shares held by Beneficial Owners in Dematerialized Form, allotment of bonus shares shall, subject to the approval of the depositories, be made by way of direct credit in their respective Demat Accounts.
- (e) The members holding shares in physical form may, at their option, be allotted Bonus shares by way of direct credit to their respective Demat accounts.
- (f) The members holding shares in physical form be allotted Bonus shares in physical form on their failure to exercise the option as aforesaid.
- (g) The issue and allotment of fully paid -up new equity shares as bonus shares to the extent that they relate to non-residents shall be subject to approval of Reserve Bank of India under the Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the issue and allotment of bonus shares as aforesaid or any other matter incidental or consequential thereto.”

**By order of the Board of Directors
For Bhoruka Aluminium Limited**

Place : Mysore
Date : 26th August,2011

Pranab Panigrahi
Company Secretary

NOTES:

- a) 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 Nos. 4 to 8 is annexed hereto.
- b) 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.
- c) 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.
- d) The Register of Members and Share Transfer Books will remain closed from **Wednesday, 21st September, 2011 to Saturday, 24th September, 2011** (both days inclusive) for the purpose of AGM and for the issue of Bonus shares. The Bonus shares, if approved by the member, will be given to the shareholders registered in the books of the Company and the beneficial owners as per details furnished by the depositories as on the **24th September, 2011**.
- e) 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 Registrar and Share Transfer Agents M/s. Karvy Computershare Private Limited, 17-24 Vittal Rao Nagar, Madhapur, Hyderabad-500 081 through their Depository Participants (DPs).
- f) 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 Registrar and Share Transfer Agents as mentioned above.
- g) UNCLAIMED DIVIDENDS
 - i. In terms of the Section 205C of the Companies (Amendment) Act, 1999 the dividends which are unclaimed for a period of seven years have to be transferred to "Investor Education and Protection Fund" maintained with Central Government and the Members / Beneficial Owners cannot make any claim for the dividends once the unclaimed dividends are transferred to such fund.
 - ii. All the Members who have so far not encashed/claimed the dividends 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 mailmanager@karvy.com quoting the Unit



name as "**Bhoruka Aluminium Limited**".

- iii. The members who have not claimed the payment of Dividend as aforesaid are requested to send their dividend warrants for revalidation to the Company Secretary, Bhoruka Aluminium Limited, No.1 KRS Road, Mysore-570 016.
- h) Furnishing of PAN Number for shareholders holding shares in Physical form SEBI has made it mandatory for every participant in the securities market to furnish the details of income tax permanent account number (PAN). Accordingly, the members holding shares in physical form are requested to submit their details of PAN alongwith a photo copy of both sides of the PAN CARD duly attested, to the Registrar and Share Transfer Agents of the Company viz. M/s. Karvy Computershare Private Limited, Hyderabad.
- i) The brief profile of the Director proposed to be appointed / re-appointed is furnished in the Corporate Governance Report.
- j) Ministry of Corporate Affairs (MCA) has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies and has issued a circular stating that service of all documents including Annual Reports can be sent by e-mail to its members.

Your Company believes that this is a remarkable and necessitated initiative by MCA and requests all its members to support this noble cause and submit your e-mail ID vide the e-mail updation form attached with the Annual Report and send back to us the attached **FORM** (Inland Letter). The same could be done by filling up and signing at the appropriate place in the said form and by returning this letter by post or by sending scan copy through e-mail either at mailmanager@karvy.com.

The Company proposes to send documents including Annual Reports in **electronic form in future** to the members on the e-mail address provided by them to the Company/Registrar and Share Transfer Agents viz. M/s. Karvy Computershare Private Ltd. Hyderabad or registered with the Depositories.

The members who hold shares in physical form are requested to intimate / update their e-mail address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by the e-mail, upon receipt of a requisition from them, anytime, as a member of the Company.

**By order of the Board of Directors
For Bhoruka Aluminium Limited**

Place : Mysore
Date : 26th August,2011

Pranab Panigrahi
Company Secretary

ANNEXURE TO THE NOTICE

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

Item No. 4 and 5 :

The Board of Directors of the Company has appointed Shri Akhilesh Kumar Pandey as an Additional Director of the Company w.e.f. 1st November, 2010 and pursuant to Section 260 of the Companies Act, 1956 and he holds office upto the date of this Annual General Meeting of the Company. The Company has received a notice in writing from a member proposing the candidature of Shri Akhilesh Kumar Pandey, for the Office of Director of the Company pursuant to Section 257 of the Companies Act, 1956.

Mr. Akhilesh Kumar Pandey was also appointed as a Wholetime Director of the Company for a period of 3 years effective 1st November, 2010 on the terms and conditions as explained in the proposed resolution as set out in the notice. The terms and conditions of the appointment of Mr. Akhilesh Kumar Pandey is also approved by the Remuneration Committee of the Company.

The appointment of Mr. Akhilesh Kumar Pandey as Wholetime Director of the Company requires the approval of the Members of the Company in General Meeting pursuant to Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956.

The details as required under proviso (iv) to Clause B of Part II of Schedule XIII of the Act are given hereunder:

I. GENERAL INFORMATION :

1. Nature of Industry: - Non-ferrous – Manufacture of Aluminium Extrusions
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 - Not Applicable
4. Financial Performance : (Rs. In Lakh)

Particulars	Financial Year		
	2010-11	2009-10	2008-09
Turnover	16, 293.81	13,713.05	12907.06
Profit before tax	149.13	106.44	-405.78
Profit after tax	142.94	74.17	-375.24

5. **Export performance and net foreign exchange collaborations –**
Exports during the year 2010-11 was Rs. 135.05 Lakh
6. Foreign investments or collaborators, if any: -Not Applicable-

II. INFORMATION ABOUT THE APPOINTEE :

1. **Background:** Shri Akhilesh Kumar Pandey, aged 46 years is B.A. M.S.W. from Kashi Vidyapeetha, Varanasi. He has an industrial experience of over 20 years in Welfare and

Corporate Social Governance and thorough expertise in Labour Laws. On the recommendation of the remuneration committee, the Board of Directors at their meeting held on 3rd November 2010 has appointed him as Additional Director and also as Wholetime Director of the Company.

2. Past Remuneration:

Sl.No.	Particulars	Amount in Rs.
1	Basic Salary	15000
2	Conveyance	6000
3	Special Allowance	13250
	Total	34250

Other allowance:

- a) Medical allowance 5% of Basic salary
- b) Leave Travel Concession 15% of Basic annual salary
- c) Provident Fund 12% of Basic salary

3. Recognition or awards: B.A. M.S.W.

4. Job profile and his suitability: He has over 20 years of industrial experience related to statutory compliances.

5. Remuneration proposed – As set out in the resolution under Item No. 5 of the Notice. The remuneration payable to him has also been approved by the Remuneration Committee of the Company.

6. 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 Akhilesh Kumar Pandey possesses an industrial experience of over 20 years in statutory compliances. Considering his experience, functions and responsibilities, the remuneration package is commensurate with the present levels of remuneration package is being paid to similar managerial positions in comparable Companies.

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

Shri Akhilesh Kumar Pandey is not related to any of the Directors of the Company and not have any pecuniary relationship or interest with the Company except remuneration payable to him as Wholetime Director.

III. OTHER INFORMATION

1) Reason for loss or inadequate profits:

The economic ambiguity over the last two years has been a difficult phase for any industry in the world to sustain without any difficulty. Over the year under review, the economies of several countries have returned to normalcy. The changes have been slow but positive. The Company's profitability has been affected slightly mainly on account of interest burden on commercial borrowings.

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

The Company has adopted various measures to reduce its operational cost in an effective way and also innovative strategies to increase the turnover and profitability of the Company. The Company is adhering to its long term strategies in consonance with the market conditions.

3) Expected increase in productivity and Profits in measurable terms:

Profitability is expected to during the financial year 2011-12 once the economic conditions stabilizes. As the economic condition is still sluggish in spite of recovery from the global financial crisis.

Except Mr. Akhilesh Kumar Pandey, none of other Directors of the Company are concerned or interested in the said resolutions.

Your Directors recommend the passing of the Resolutions as set out at Item Nos. 4 and 5 of the Notice.

Item No. 6 :

To mobilise funds for Company's expansion plan by setting up of new businesses, part re-payment of debts and for long term working capital purposes, the Company requires fund to enhance the interest of all the stake holders, 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 \$ 30 million (United States Dollars Thirty Million 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.

The detailed terms and conditions of the offer will be determined in consultation with Advisors, Lead Managers and Underwriters and such other authority or authorities as may be required to be consulted by the company considering the prevailing market conditions and other relevant factors.

The proposed resolution is an enabling resolution conferring authority on the Board of Directors to cover all the present and future contingencies and corporate requirements in terms of Section 81 (1A) of the Companies Act, 1956 and the listing agreement entered into with the Bombay Stock Exchange Limited, which requires that new shares are first to be offered on pro-rata basis to the existing shareholders of the Company, unless the shareholders at a general meeting decides otherwise by passing a special resolution. Accordingly, consent of the shareholders is being sought pursuant to the provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the listing agreement executed by the company with the stock exchange where its shares are listed.

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 recommends the resolution for your approval at item no. 6 of the Notice.



None of the directors is concerned or interested in the above resolution.

Item No. 7 :

Your Directors considered that the existing Articles of Association of the Company do not cover latest amendments and it is proposed to amend the existing Articles of Association by adopting new set of Articles of Association of the Company in the place of the existing Articles of Association of the Company.

In terms of Section 31 of the Companies Act, 1956, the consent of the Members by way of **Special Resolution** is required for adoption of new set of Articles of Association of the Company.

Your Directors recommend to pass the **Special Resolution** as set out in Item No. 7 of the Notice.

None of the directors of the Company are concerned or interested in the above said resolution.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m and 1.00 p.m. up to the date of the Annual General Meeting and during the Annual General Meeting.

Item No. 8 :

With a view to bring the share capital to a level commensurate with the total capital employed in the company, your Directors have proposed that sums not exceeding Rs. 27,47,10,710/- (Rupees Twenty Seven Crore Forty Seven Lakh Ten Thousand Seven Hundred Ten Only) be drawn from the “**Reserve and Surplus**” of the Company and transfer to share capital account towards issue and allotment of Equity shares not exceeding 2,74,71,071 (Two Crore Seventy Four Lakh Seventy One Thousand Seventy One) Equity shares of Rs.10/- (Rupees Ten Only) each as bonus shares, credited as fully paid-up, to the members holding equity shares as on the record date to be specified in this behalf. The bonus shares will be issued in the proportion of 1 (One) new equity share for every 1 (One) equity share held on the record date. The said Bonus Shares shall rank *pari passu* with the then existing equity shares.

The issue of Bonus Shares to those members who are non-residents will require the permission of the Reserve Bank of India under the Foreign Exchange Management Act, 1999.

The consent of the Members by way of **Special Resolution** is required for the same. Your Directors recommend to pass the **Special Resolution** as set out in Item No. 8 of the Notice.

The Directors of the company may be deemed to be concerned or interested in the Resolution to the extent of Bonus Shares that may be allotted in respect of the existing shares held by them or by Companies, Bodies Corporate or Trusts of which the Directors of the company are Directors, Members or Beneficiaries.

**By order of the Board of Directors
For Bhoruka Aluminium Limited**

Place : Mysore
Date : 26th August, 2011

Pranab Panigrahi
Company Secretary

DIRECTORS' REPORT

The Board of Directors of your company hereby present the Thirty-first Annual Report together with the audited statement of accounts for the year ended **31st March 2011**.

1. Review of Financial Results:**(Rs.)**

Particulars	For the year ended	
	31 March, 2011	31 March, 2010
Sales income	1,629,381, 400	1,371,305,449
Profit before finance charges, depreciation & tax	143,008,091	147,465,737
Financial charges	92,355,662	112,597,016
Depreciation	35,739,094	24,224,826
Profit/(Loss) before tax	14,913,335	10,643,895
Less:		
Income tax for earlier year	73,848	368,343
Deferred (Net)	545,008	2,858,502
Profit /(Loss) after tax	14,294,479	7,417,050
Add /(Less):		
Balance brought forward from previous year	2,504,512	(4,912,538)
Balance available for appropriation and carried to Balance Sheet	16,798,991	2,504,512

2. Operations:

The economic ambiguity over the last two years has been a difficult phase for any industry in the world to sustain without any difficulty. Over the year under review, the economies of several countries have returned to normalcy. The changes have been slow but positive. Nevertheless, your Company has managed to adhere to its long term strategies in consonance with the market conditions. In the coming years, your Company expects to emerge as a Global Aluminium Extrusion Manufacturer.

In spite of rise in input costs, petroleum products, cost of energy, labour cost, fluctuation in foreign currency exchange and higher interest on commercial borrowings, during the year under review, the gross turnover of your Company has increased by 18.82% from Rs. 137.13 crores to Rs.162.94 crores.

The net profit after depreciation, finance cost and taxation has gone upto Rs.142.94 Lakh as compared to Rs.74.17 Lakh during the preceding year, registering a growth of 92.72%.

The Company has taken measures to adopt innovative strategies to increase the turnover and profitability of the Company. The Company is continuing its efforts to improve productivity and curtail costs.

3. Dividend

To conserve the resources for business requirements of the Company, your Directors do not recommend any dividend for the year under review.

4. Prospects :

While the global recovery is still sluggish, the Indian emergence from the economic down turn has been quite dramatic despite all fragilities. The Government of India is giving thrust for development of Infrastructure, Power and Rural housing, which will boost the demand for Aluminium extrusions from Construction Industry. Since Aluminium has many properties and qualities explain the “**Magic**” surrounding this metal and reason why its product designers who are constantly adding to its already wide range of applications and explaining the reason for increasing the demand and consumption for our products. Your Directors hope that the demand for Aluminium extrusion would continue to be stable in the coming years .

The Company's brand is well established in the market and has gained high degree of customer acceptance. Bhoruka Aluminium commands a premium which is result of elevated customer's perception about the brand and its quality products. Focus on quality and service, have been key drivers for enhancing customer satisfaction.

5. Amalgamation

As approved by the Hon'ble High Court of Karnataka, judicature at Bangalore vide its order dated 15th December, 2010 approving the Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956, the erstwhile Bhoruka Agro Greens Limited is merged with the Company with effect from appointed date i.e. 1st April, 2010. Pursuant to the said merger, the Board of Directors of the Company at their meeting held on 27th January, 2011 has issued and allotted 5903333 Equity shares of Rs. 10/- each of the Company to the shareholders of erstwhile Bhoruka Agro Greens Limited.

6. Subsidiary Company

The Company has incorporated a wholly owned subsidiary company named “Bhoruka Aluminium FZE” on 29th November, 2010 in UAE. As there were no business transactions in the subsidiary company, it has not closed its first financial year. Hence the Company has not prepared Consolidated Financial Statement and is also not attaching subsidiary's balance sheet with its balance sheet as required under Section 212 of the Companies Act, 1956.

7. Increase in Paid-up Share Capital

During the financial year 2010-11, the paid up share capital of the Company was increased as follows:

- a. Issued 1,12,26,280 Equity shares of Rs. 10/- each underlying 1,122,628 Global Depository Receipts at a price USD 9.25 per GDR (1GDR = 10 equity shares).
- b. On 14th December 2010, allotted 4,30,222 Equity shares of Rs.10/- each at a premium of Rs.35/- per share upon conversion of warrants issued to promoters on preferential basis. The Company has issued and allotted 17,17,222 Warrants Convertible into even number of Equity share of the Company to Promoters on preferential basis and 10,88,336 Equity shares of Rs.10/- each on 14th December 2010 at a premium of Rs.35 per share to persons other than promoters on preferential basis.
- c. On 27th January, 2011, allotted 59,03,333 Equity shares of Rs.10/- each to the shareholders of erstwhile Bhoruka Agro Greens Limited pursuant to the Scheme of Amalgamation of the Company.

After the above allotments, the issued, subscribed and paid-up Capital of the Company has increased to Rs.261,840,710/- divided into 26,184,071 Equity shares of Rs.10/- each.

8. Corporate Governance Report

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. With a view to strengthening the Corporate Governance framework, the Ministry of Corporate Affairs has issued a set of Voluntary Guidelines in December 2009 for adoption by the Companies. Your Company already complies with some of the provisions of these Voluntary Guidelines and has initiated appropriate action to comply with other requirements.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, including the Shareholder's Information and Auditors Certification on its compliance, forms part of this Annual Report.

9. Management's Discussion and Analysis Report

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

10. Depositories

The Company is registered both with the National Securities Depository Limited and Central Depository Services (India) Limited. The overseas depository of the Company is 'The Bank of New York Mellon Corporation'.

11. Directors

In accordance with the provisions of the Companies Act, 1956, and Articles of Association of the Company, Shri Prabir Chakravarti, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends for his re-appointment.

During the year, Shri Akhilesh Kumar Pandey was appointed as an Additional Director w.e.f 1st November, 2010. He holds the office as such upto the date of ensuing Annual General Meeting. Your Company has received a notice under section 257 of the Companies Act, 1956 together with necessary deposit from a member proposing his candidature for the office of Director at the ensuing Annual General Meeting. The Board recommends the appointment of Shri Akhilesh Kumar Pandey as a Director of the Company.

Further, Shri Akhilesh Kumar Pandey is also appointed as Whole time Director of the Company for a period of 3 years w.e.f. 1st November, 2010 subject to the approval of members.

Your Board recommends the appointment of Mr. Akhilesh Kumar Pandey as Wholetime Director of the Company.

12. 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 31st March,2011 the applicable accounting standards 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 judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011 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;

13. Public Deposits:

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

14. 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 appointment , if made would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

15. 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 Accountants has been appointed as Cost Auditor of the Company to conduct audit of the cost accounts of the Company for the financial year 2010-2011 and the same has been approved by the Central Government.

16. Corporate Social Responsibilities (CSR)

As a concerned Corporate Citizen, your Company believes that CSR initiatives are a way to pay back societal debt and obligations. Your Company does not see CSR as a Charity; not even as a responsibility, but as an opportunity to change and your Company's activities are determined by the concept of Changing Lives. Your Company is constantly endeavored to improve the quality of life of the communities and to bridge the gaps in society and help transform communities around the workplace. We believe that:

"The brands that will be big in the future will be those that tap into the social changes that are taking place".

17. Particulars of Employees

As per the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employee) Rules, 1975, as amended, no employees were in receipt of remuneration exceeding the limits as prescribed under that section and hence your directors has nothing to report in this regard.

18. Conservation of Energy, Technology Absorption and Foreign Exchange /

Earnings / Outgo U/S 217(1)(e) of the Companies Act, 1956:

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended are provided in Annexure -I and is attached to this Report.

19. Personnel

The relationship with employees continued to be cordial throughout the year. As always, the commitment of the team was instrumental in achievement of the results. Employees at all levels demonstrated a huge degree of commitment towards the general cost consciousness as a result of which despite inflation, we were able to reduce our costs wherever possible.

It will be our endeavor to work as a team and deliver better quality products consistently and at the same time keep a vigilant eye on costs.

20. Acknowledgement

Your Directors would like to express their sincere thanks for the assistance and co-operation received from the banks, Government authorities, customers, vendors, members and investors during the year under review. Your Directors also wish to place on record their appreciation for the contribution and commitment of all employees towards success and growth of the Company.

For and on behalf of the Board

Place: Mysore
Date: 26th August,2011

Dr. M.K. Panduranga Setty
Chairman

ANNEXURE I

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

FORM A

CONSERVATION OF ENERGY:

- a) **Energy conservation measures taken by the Company:**
Efforts are taken on continuous basis for conservation of energy and minimize energy cost at all levels as per the past experience.
- b) Monitoring the overall energy consumption, by reducing losses and improving efficiency.
- c) Maximum demand of electricity is being reduced by evenly distributing the loads through out the day and increasing efficiency of plants and machineries.
- d) Additional Investment Proposals:
Not quantifiable since expenditure are incurred normally through the system of maintenance and improvement and the Company takes necessary steps for investments in energy saving devices from time to time.
- e) Impact of measures at (a) and (b) above for reduction of energy consumption and consequential impact on the cost of goods:
 - i) Per unit Energy consumption has been increased from Rs.5.24 to Rs.5.28 due to increase in the prices of Diesel. However, company has taken steps to reduce the consumption of diesel.
 - ii) Rejection has gone down substantially due to improvement in quality of products.

A. POWER AND FUEL CONSUMPTION:

Particulars	Current year 2010-11	Previous year 2009-10
1. Electricity:		
a. Purchased:		
Karnataka Power Transmission Corporation Ltd. Units (KWH)	11,568,240	8,955,360
Total Amount (Rs.) (Inclusive of Demand Charges and Surcharge)	61,098,390	46,885,800
Rate per Unit (Rs.)	5.28	5.24
b. Own Generation:		
i. Through Diesel generation Units (KWH)	385,218	815,289
Unit per litre of Diesel Oil	2.96	3.33
Cost per Unit (Rs.)	13.72	11.03
ii. Through Stream Turbine/Generator	Nil	Nil
c. Others – purchased (KWH)	Nil	2,100,000
Rate per Unit (Rs.)	Nil	4.36
2. Coal (Specify quality and Where used)	Nil	Nil
3. Furnace Oil		
Quantity (Kgs)	597,995	542,656
Total Amount (Rs.)	17,732,660	14,086,475
Average rate (per Kg.) (Rs.)	29.65	25.96
4. Others – Internal Generation	Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION		
Products – Aluminium Extrusion		
Production (M.Tons)	8,636	7,992
Electricity units/M. T.	1,351	1,485
Furnace Oil Kgs/MT	69.03	67.89
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:

The Company is developing and introducing various new sizes, designs and pattern of Aluminium extrusions under its continuous R & D programs as per changing marketing needs.

2) Benefits derived as a result

The quality of products of the Company has improved and showed marked improvement in its desired properties.

The R & D activities resulted into development of new designs and product and also acceptability of the product in the market.

3) Future plan of action:

Efforts are put forth on continuous basis to improve R & D activity for achieving product quality, productivity and yield.

Introduction of more process control and detailed quality control as well as cost reduction techniques.

Development of new value added products

Technology upgradation and modernization wherever necessary.

4) Expenditure on R & D

The Company does not account for R & D expenses separately but treat them as revenue expenses and accounts in respective head of revenue accounts. There was no capital expenditure incurred during the year under review.

b. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION:

(i) Efforts in brief made towards technology absorption, adaptation and innovation.

As per 1 above

(ii) Benefits derived as a result of above efforts:

As per 2 above

The Company has not imported any technology.

FORM C

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs.)

Particulars	Current Year 2010-11	Previous Year 2009-10
a. Foreign Exchange Earnings	13,505,259	14,917,597
b. Foreign Exchange Outgo	53,489,998	94,472,290

For and on behalf of the Board of Directors

Place: Mysore
Date : 26th August,2011

Dr. M.K. Pandurranga Setty
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE:

Fiscal 2011 was a year of improved performance, recovery, consolidation and new exploration for the industry which has emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2007-09. The recovery from the economic downturn has been slow but positive with continued momentum in manufacturing. The surge in growth performance, changing dynamics of business strategy and customer outlook, all these and more have redefined the industry. While the global recovery is fairly tough and still sluggish, the India's emergence from the slow down of 2009 has been quite dramatic.

Industry Sector GDP which includes Gross Value Added of the construction sector has shown good growth. India's economy continued on its high growth trajectory by registering GDP growth at 8.6% in 2010-11 on the back spurt in economic activities.

In spite of high inflation, rising input cost, growth in the industrial sector was positive during the first two quarters of the current financial year. The manufacturing sector is growing at rates of 12.6 per cent and 9.7 per cent respectively during these two quarters compared to the peak growth of 16.8 per cent achieved during the fourth quarter (January – March) of the last financial year.

The company could sale **8581 MT** during the year ended 31st March, 2011 as compared to **7924 MT** in the previous year.

The Indian aluminium industry continues on its expansion course and for the next few years, the Indian aluminium industry expects a strong increase in consumption.

In the present economic scenario, outlook for your Company remains bright in view of its excellent quality products with brand image, timely delivery and focus on customer satisfaction. Government of India's priority thrust on Infrastructure, communication, construction, civil aviation, automobile and power sector development gives fillip for the increasing demand of Aluminium Extrusion domestically. Government has introduced many progressive measures to unlock the potential of the real estate sector is a good bonanza.

B. OPPORTUNITIES

The demand for aluminium products is increasing year by year. Aluminium is the metal of choice for leading designers, architects, engineers, all of whom are looking for a material which combines functionality and cost-effectiveness with forward looking form and design potential. The range of forms aluminium can take (Castings, Extrusions, Tubes, Sheets, Plates, Foils, Powder and Forging etc) and variety of surface finishes available (Anodizing, Powder Coatings, Polishing etc) means it lends itself to a wide range of products, many of which we use every day of our lives.

The Aluminium industry is committed to securing business success and continued growth towards a more sustainable global economy of the future. Government of India's boost for sustained investment in Power, Infrastructure, Transportation and Rural Housing Sectors, Rural Electrification would generate wider consumption of aluminium extrusions. Growth of

Electrical and Electronics industry, Industrial segments, Building Industry and Consumer Goods etc. there is large usage of aluminium extrusions in the near future. Its strength combined with low density, make it ideal for Electrical and Electronic Industry, Transportation, Aerospace, Shipping, Solar, Defence, Construction, Textile and Electrical Conductor manufacturing industries.

Government initiatives will further increase the growth of Aluminium Extrusion Consuming Industries as under:

- 1) The Power, Telecom and Railway Industries are expected to attract 30.0 %, 13.4% and 12.8% respectively of the total projected investment infrastructure of US\$ 581.68 billion during the 11th Five year plan
- 2) The Power Industry has target growth rate of 9% for fiscal 2008 to fiscal 2012 according to the Ministry of Power.
- 3) Investment of Rs.110-120 billion per annum as required for the automotive industry to reach its growth potential during the 11th Plan period.

C. THREATS

Fluctuation in aluminium raw material prices, foreign currency exchange rates, supply of aluminium ingots 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 besides sub-standard, low quality aluminium extruded products being dumped 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. The management duly considers and takes appropriate action on the recommendations made by the internal auditors and the independent Audit Committee of the Board of Directors.

E OVER VIEW ON FINANCIAL PERFORMANCE

1. Share Capital

At present, we have only one class of shares i.e. Equity shares of par value Rs.10 each. Our Authorised share capital is Rs. 36,00,00,000/- divided into 3,60,00,000 Equity shares of Rs.10 each.

The issued, subscribed and paid up capital as at March 31, 2011 was Rs. 26.18 Crore .

During the year , Company had made 1,86,48,171 Equity shares of Rs.10 each consisting of 10,88,336 Equity shares of Rs.10 each at a premium of Rs.35 per share and conversion of

4,30,222 warrants in equivalent number of Equity shares of Rs.10 each at a premium of Rs.35/= per share consequent to exercise of conversion option by promoters and others on preferential allotment, 1,12,26,280 Equity shares of Rs.10 each underlying 11,22,628 Global Depository Receipts at a price USD 9.25 per GDR (1 GDR = 10 Equity shares of Rs.10 each) and 59,03,333 Equity shares to the erstwhile shareholders of Bhoruka Agro Greens Limited in terms of the scheme of amalgamation sanctioned by the Honourable High Court of Karnataka, (Bangalore) thereby the issued, subscribed and paid up capital increased by Rs. 18.64 Crores.

2. Operational Results

The turnover for the year ended 31st March, 2011 stood at **Rs.162.94 Crore** as compared to **Rs. 137.13 Crore** in the preceding year. The year ended with a net profit of **Rs. 142.94 lakh** after tax as against a net profit of **Rs.74.17 lakh** during the preceding year.

3. Training and Development

Realising the potential of human capital, the Company has designed a progressive system of training and development. It emphasises on developing individual potential of employees and harnessing their skills on continuous basis to meet the requirement of growing and complex business environment. 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 culture.

F. INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT

Employees are our vital and more valuable assets. The company has created a favourable work environment that encourages innovations and meritocracy. Employees are encouraged to take on new roles and expand their horizons. The Company's benchmark processes and systems around are Performance Management, Rewards and Recognitions, Competency and Capability Building, Succession, Planning etc. among others.

The Industrial relations continued to remain excellent at all levels during the year.

G CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations and prices, demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Boruka Aluminium Limited believes in adopting the best practices' that are followed in the area of Corporate Governance across various geographies and continues to focus on good Corporate Governance.

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 of Directors provides strategic direction and thrust to the operations of the Company. The Board comprises of six Directors of which three are Non-Executive Independent Directors. The Chairman is also Non-Executive /Independent Director.

a) Board Composition as on 31st March, 2011

Sl.No.	Name of the Director	Category
1	Dr.M.K.Panduranga Setty	Independent/Non-Executive Chairman
2	Dr. B.L.Amla	Independent/Non-Executive Director
3	Shri Prabir Chakravarti	Independent/Non-Executive Director
4	Shri R.K.Agarwal	Managing Director
5	Shri Rajat Agarwal	Executive Director
6	Shri Akhilesh Kumar Pandey	Wholtime Director (w.e.f 1 st November 2010)

- b) During the financial year, eight meetings of the Board of Directors were held on 24th April, 2010, 31st July, 2010, 28th September, 2010, 25th October, 2010, 3rd November, 2010, 3rd December, 2010, 14th December, 2010 and 27th January, 2011.
- c) Number of Board Meetings held and the attendance of each Director at the Board Meetings, last Annual General Meeting and number of other directorships 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.	Dr. M.K. Panduranga Setty	8	8	Yes	4	1	Nil
2.	Dr. B.L. Amla	8	8	Yes	-	-	Nil
3.	Shri Prabir Chakravarti	8	8	Yes	9	10	Nil
4.	Shri R.K. Aggarwal	8	8	Yes	1	Nil	Nil
5.	Shri Rajat Agarwal	8	8	Yes	Nil	Nil	Nil
6.	Shri Akhilesh Kumar Pandey (w.e.f.1 st November, 2010)	4	1	N.A	Nil	Nil	Nil

d) Information provided to the Board

The Board has complete access to all information with the Company. The information is provided to the Board on regular basis and the agenda papers for the meetings are circulated in advance of each meetings. The information supplied to the Board includes

- Annual Operation Plan and Budgets
- Quarterly, Half yearly and Yearly results of the Company
- Minutes of the meeting of the Board, Audit Committees and other Committees of the Board.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

e) Appointment / Reappointment of Directors

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting (in pursuance of Clause 49 (IV) (G) of the Listing Agreement)

Name of the Director	Shri Prabir Chakravarti	Shri Akhilesh Kumar Pandey
Age	67 years	46 years
Date of appointment	03/09/1990	01/11/2010
Qualification	B.A.(Hons) M.A.(Economics) LL.B.(Kolkata University) M.B.A. (Queens University, Belfast, U.K.)	B.A. M.S.W
Profile	Shri Prabir Chakravarti has wide experience in business and administration. He has been the leader of the Employers Delegation to International Labour Organisation (Geneva) and Employers Representative in the Bipartite Committee of Industrial Relations set up by Government of India. He has also attended different meetings of International labour organization as leader of Employers delegation in India and abroad. He holds Chairmanship and Directorship in many reputed companies which includes Reliance Jute Mills (International) Limited. He is presently, CEO of Girija Prasanna Cotton Mills Limited, Kolkata.	Shri Akhilesh Kumar Pandey has an industrial experience of over 20 years in Welfare and Corporate Social Governance and thorough expertise in complying with Labour Laws. On the recommendation of Remuneration Committee, the Board of Directors at their meeting held on 3rd November, 2010 has appointed him as Additional Director and elevated to the position of Wholetime Director of the Company.
No.of Companies in which he holds Directorship	09	NIL
No.of Companies in which he holds membership	10	NIL
No of shares held in the Company	13333	NIL

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 reflect 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 to 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:

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

During the year four meetings of the Audit Committee were held viz on 24th April 2010, 31st July, 2010, 3rd November, 2010 and 27th January, 2011.

Attendance of the Committee Members:

Name of the Member	Dr.M.K. Panduranga Setty	Dr. B.L. Amla	Shri Prabir Chakravarti	Shri R.K.Aggarwal
Number of meetings held	4	4	4	4
Meetings present	4	4	4	4

4. REMUNERATION COMMITTEE

Composition of the Remuneration Committee:

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

During the year under review one meeting of the Remuneration Committee meeting was held on 3rd November, 2010 and all the three members were attended the meeting.

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	24,00,000	180,000	4,02,711
Shri Rajat Agarwal	Executive Director	24,00,000	2,88,000	6,00,000
Shri Akhilesh Kumar Pandey	Wholetime Director	2,30,000	12,000	27,575

Sitting fees paid to Non-Executive Directors

Sl.No.	Name of the Director	Rs.
1.	Dr. M.K. Panduranga Setty	260,000
2.	Dr. B.L. Amla	260,000
3.	Shri Prabir Chakravarti	260,000

5. SHARE TRANSFER AND INVESTORS' GRIEVANCES COMMITTEE

- Role of the Committee is to redress the complaints relating to transfer, transmission of shares, complaints relating to 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.
- general enquiry about conversion of physical shares into demat, change of address;
- issue of demand drafts in lieu of the stale dividend warrants.
- non-receipt of dividend warrants
and the same has been redressed immediately.

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This Committee met once during the year on 27th January, 2011.

Composition and attendance of the committee member:

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

6. COMPLIANCE OFFICER:

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

7. SUBSIDIARY COMPANY

The Company has incorporated a wholly owned subsidiary company named “Bhoruka Aluminium FZE” on 29th November, 2010 in UAE. However, the Company do not fall under the norms prescribed in Clause 49 of the Listing Agreement for “**Material non-listed Indian Subsidiaries**” as on 31st March, 2011.

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

The Board of Directors has 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 2010-2011.

9. GENERAL BODY MEETINGS

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

Financial year	Date & Time	Venue	No. of special resolutions passed
2007-08	21 st July, 2008 At 11.45 a.m.	Registered Office # 1, KRS Road, Metagalli, Mysore -570 016	Nil
2008-09	24 th July, 2009 At 11.30 a.m.	Golden Landmark Resort # 45/A, KRS Road, Metagalli, Mysore-570 016	Two
2009-10	1 st September, 2010 At 11.45 a.m.	Registered Office # 1, KRS Road, Metagalli, Mysore – 570 016	Three

Special Resolutions:

AGM held on 21st July, 2008: No Special Resolution was passed.

AGM held on 24th July, 2009: Following Special Resolutions were passed.

- 1) To amend the clause 15 of existing Articles of Association pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, relating to revised sitting fees payable to Non-Executive Directors in terms of Section 310 of the Companies Act, 1956.

- 2) To re-appoint Shri. R K Aggarwal as Managing Director of the Company for a period of 3 years effective from May 01, 2009 to April 30, 2012.

AGM held on 1st September, 2010: Following Special Resolutions were passed :

- 1) To approve the remuneration payable to Shri Rajat Agarwal, Executive Director of the Company.
- 2) To alter the Capital Clause in Memorandum of Association of the Company.
- 3) To issue of new securities u/s. 81(1A) of the Companies Act, 1956

No Special Resolution is proposed to be passed through postal ballot process at ensuing Annual General Meeting.

Resolutions passed through Postal Ballot process:

During the year 2010-11, the Company conducted postal ballot process, the details of which are as follows:

Date of declaration of results of postal ballot	Type of Resolution	Purpose of Resolution
4 th November, 2010	Special Resolution	Issue of Equity shares of the Company on Preferential basis u/s 81 (1A) of the Companies Act, 1956.
	Special Resolution	Issue of Warrants convertible into equity shares of the Company on Preferential basis u/s 81 (1A) of the Companies Act, 1956.
	Special Resolution	To alter the Objects Clause of Memorandum of Association of the Company u/s 17 of the Companies Act, 1956.
	Special Resolution	To carry the business activity under section 149(2A) of the Companies Act, 1956.
	Ordinary Resolution	To increase the Authorised share capital of the Company u/s 94 of the Companies Act, 1956
	Ordinary Resolution	To alter the Clause V of Memorandum of Association of the Company u/s 16 of the Companies Act, 1956.
	Ordinary Resolution	To give authority to the Board of Directors of the Company u/s 293(1)(d) of the Companies Act, 1956.
	Ordinary Resolution	To give authority to the Board of Directors of the Company u/s 293(1)(a) to create charge on the assets/ undertakings of the Company upto the limit as approved u/s 293(1)(d) of the Companies Act, 1956.

The Company issued Postal Ballot Notice to its shareholders on 4th October, 2010. The postal ballot process was undertaken in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. Mr. Manish L. Ghia, Practising Company Secretary was appointed as Scrutinizer for conducting the Postal Ballot process. The result of the Postal Ballot process was announced on 4th November, 2010.

The resolutions passed through postal ballot and the voting pattern for the same are as follows:

SL No.	Business	Postal Ballot forms received		Valid Votes Casted		
		Total	Valid	Total	In favour	Against
1.	Special Resolution under Section 81(1A) of the Companies Act, 1956 for issue of Equity shares on Preferential basis.	49	42	47,95,257	47,94,557	700
2.	Special Resolution under Section 81 (1A) of the Companies Act, 1956 for issue of convertible warrants Equity Shares on preferential basis.	49	42	47,95,257	47,94,657	600
3.	Special Resolution under Section 17 of the Companies Act, 1956 to alter the object clause of Memorandum Of Association by insertion of a new object clause 51(a), 51(b), 51(c).	49	42	47,95,257	47,95,257	0
4.	Special Resolution under Section 149(2A) of the Companies Act, 1956 to commence a new business activities.	49	42	47,95,257	47,95,257	0
5.	Ordinary Resolution under Section 94 of the Companies Act, 1956 for increase in authorised share capital of the Company.	49	42	47,95,257	47,95,257	0
6.	Ordinary Resolution under section 16 of the Companies Act, 1956 for alteration of Clause V of Memorandum of Association of the Company	49	42	47,95,257	47,95,157	100
7.	Ordinary Resolution under Section 293 (1) (d) of the Companies Act, 1956 to authorize the Board of Directors of the Company to borrow money upto Rs. 500/- Crores.	49	42	47,95,257	47,95,007	250
8.	Ordinary Resolution under Section 293 (1) (a) of the Companies Act, 1956 to authorize the Board of Directors of the Company to create charge on assets of the Company upto the limit as approved under section 293(1)(d) of the Act.	49	42	47,95,257	47,95,007	250

All the resolutions were passed with requisite majority.

10. DISCLOSURES**a) Disclosure by the Management to the Board on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

There are no materially significant related party transactions i.e. transactions of the company of material nature with its promoters, directors 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.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets:

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.

c) Whistle blower policy and affirmation that no personnel has denied access to the audit committee:

The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. However, a formal whistle bowler policy is not in place.

d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of clause 49:

The Company has duly complied with the mandatory requirements of the Clause 49 as required by Clause 49 of the Listing Agreement, the Auditors Certificate of Corporate Governance is given and form part of this report. The status of the compliance with the non mandatory requirements of this clause has been detailed hereof.

e) Accounting treatment in preparation of financial statements:

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

f) Internal Audit functions and Statutory Compliances:

- i. 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.
- ii. For every quarter, the CEO/CFO makes report on Statutory Compliances which are placed before the Board Meeting.

iii. CEO / CFO Certification

The Managing Director and CFO discharging the finance functions 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, 011.

g) Details of presentations made to institutional investors or analysts

- i. The Company has not made any presentations to institutional investors or to the analysts during the year under review.

i) Utilization of proceeds received from issues of Equity shares/warrants on preferential basis:

Details of proceeds from Preferential Issue:

Date of Issue	No. of securities issued	Offer price (Rs.)	Funds received (Amount in Rs.)
14-12-2010	4,30,222	45/-	1,93,59,990
14-12-2010	10,88,336	45/-	4,89,75,120
14-12-2010	12,87,000*	45/-	2,52,21,140
TOTAL			9,35,56,250

* Company has issued and allotted 17,17,222 Convertible Warrants to promoters on preferential basis on 14-12-2010, out of that 4,30,222 equity warrants has been converted on 14-12-2010 and remaining 12,87,000 convertible warrants are still lying. The amount of Rs. 2,52,21,140 has been received as up-front money for the above said warrants.

Details of fund utilization:

(Amount in Rs.)

Particulars	Actual funds utilized	% of net funds utilized
Long Term Working Capital	9,35,56,250	100%
TOTAL FUNDS UTILISED	9,35,56,250	100%

11. MEANS OF COMMUNICATION

The Company's Financial Results have been submitted to the Stock Exchange immediately after they are approved by the Board and the same are available on the website of the exchange. These Financial Results were published in Economic Times, Business Line and Sanjevani. Further, the same have been posted on the Company's website www.bhorukaaluminium.com

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

12. GENERAL INFORMATION TO SHAREHOLDERS

(a) Compliance of Insider Trading Norms

The Company has adopted the Code of internal control procedures and conduct for listed Companies notified by the Securities Exchange Board of India (SEBI), prohibiting the Insider Trading. 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 31st Annual General Meeting of the Company will be held on Saturday, the 24th day of September, 2011 at 11:30 a.m, at the Registered Office of the Company at # 1 KRS Road, Metagalli, Mysore-570 016.

(c) Financial Calendar 2011-12(Tentative)

Financial Year	: April 1, 2011 to March 31, 2012
First quarter results	: By the end of July, 2011
Second Quarter results	: By the end of October, 2011
Third Quarter results	: By the end of January, 2012
Fourth Quarter results	: By the end of April, 2012
Annual results for the year ending 31 st March, 2012	: By the end of May, 2012
Annual General Meeting for the year 2011-12	: By the end of July, 2012

(d) Date of Book Closure:

From Wednesday, 21st September, 2011 to Saturday, 24th September, 2011 (both days inclusive) for the purpose of AGM and issue of the Bonus shares.

(e) Listing of Securities:

Company's shares are listed and traded with Bombay Stock Exchange Limited (BSE). Annual Listing fee for the year 2011-12 has been paid to the Stock Exchange. The Custodian fees for both the depositories have also been paid for the financial year 2011-2012.

Scrip Code: BSE: 506027

Company's ISIN number is INE866G01013

(f) Stock Prices Data

The details of monthly High and Low quotations on Bombay Stock Exchange Ltd. during the financial year 2010-2011 are as under:-

Year 2010-11		Price* (Rs)		BSE Sensex	
Month		High	Low	High	Low
April	2010	46.85	27.20	18,047.86	17,276.80
May	2010	47.00'	38.20	17,536.86	15,960.15
June	2010	46.95	38.80	17,919.62	16,318.39
July	2010	48.00	37.35	18,237.56	17,395.58
August	2010	54.40	38.10	18,475.27	17,819.99
September	2010	45.00	34.00	20,267.98	18,027.12
October	2010	44.45	36.65	20,854.55	19,768.96
November	2010	45.80	32.25	21,108.64	18,954.82
December	2010	37.10	29.55	20,552.03	19,074.57
January	2011	41.00	32.00	20,664.80	18,038.48
February	2011	41.80	29.30	18,690.97	17,295.62
March	2011	39.85	28.20	19,575.16	17,792.17

* Source : www.bseindia.com

(g) Distribution of Shareholding

The shareholding distribution of equity shares as on 31st March, 2011:

Share Holding Range(s)		Folios		Equity Shares Held	
From	To	Number	Percentage	Number	Percentage
1	5000	4417	90.35	4,70,758	1.8
5001	10,000	158	3.23	1,34,040	0.51
10,001	20,000	118	2.41	1,91,355	0.73
20,001	30,000	39	0.8	1,06,163	0.41
30,001	40,000	22	0.45	79,104	0.3
40,001	50,000	20	0.41	94,287	0.36
50,001	1,00,000	38	0.78	2,77,934	1.06
1,00,001	and above	77	1.57	2,48,30,430	94.83
	Total	4,889	100.00	2,61,84,071	100.00

h. Shareholding Pattern as on 31st March, 2011

Category	Number of shares held	Percentage of Shareholding (%)
Promoter and Promoter Group	7988769	30.51
Mutual Funds/ UTI	0	0.00
Financial Institutions/ Banks	145000	0.55
Venture Capital Funds	0	0.00
Insurance Companies	0	0.00
Foreign Institutional Investors	750000	2.86
Bodies Corporate	4041205	15.43
Individuals	2781463	10.62
Clearing Member	1005	0.00
NRIs	349	0.00
GDRs	10476280	40.01
GRAND TOTAL	26184071	100.00

i. Registrars and Share Transfer Agent

M/s. Karvy Computershare Private Limited,

17-24 Vittal Rao Nagar, Madhapur,

Hyderabad-500 081

E-mail: mailmanager@karvy.com

Website: www.karvy.com

j. 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, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, as Registrars 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 Registrars and Share Transfer Agents, M/s. Karvy Computershare Private Limited at the above address through their Depository Participants (DPs).

Over 75% of our Company's shares have been dematerialised as on 31st March, 2011.

k. Outstanding GDRs/ADRs /Warrants or any convertible instruments, conversion date and likely impact on equity:

- a) **GDRs:** Outstanding GDRs as on 31st March, 2011 represent 1,04,76,280 Equity Shares constituting 40.01% of the paid-up Equity Share Capital of the Company. Each GDR represents ten underlying equity shares in the Company. The GDRs are listed at Luxembourg Stock Exchange. The Bank of New York Mellon is the Custodian of the GDRs issued by the Company. The proceeds from the offering are being used for Company's expansion plan by setting up of new businesses, renovation and modernization 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.



b) **Conversion of Warrants:** Out of 17,17,222 Equity Share Warrants, 4,30,222 Equity Share Warrants were converted into equivalent number of equity shares of Rs10/- each at a premium of Rs.35/- per share and the balance 12,87,000 Warrants are yet to be converted into equivalent number of Equity shares within a period of 18 months from the date of issue.

l. In respect of transfer of physical shares, Shareholders are advised to contact either Compliance Officer, Bhoruka Aluminium Limited # 1, KRS Road, Metagalli, Mysore - 570 016 or Registrars and Share Transfer Agents (STA) M/s. Karvy Computershare Private Limited, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Andhra Pradesh Telephone: 040-23420815-28.

m. Plant Location and Registered Office

Works and Registered Office: Bhoruka Aluminium Limited, # 1, KRS Road, Metagalli, Mysore – 570 016, Karnataka, India Phone +91-0821-2582116, 2582982 and +91-0821-4286100. Extension 100 For Investors' Grievance E-mail : company.secretary@bhorukaaluminium.com

Website of the Company: www.bhorukaaluminium.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 2010-11.

For Boruka Aluminium Limited

Place: Mysore
Date: 26th August, 2011

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, 2011 the Company has complied with the requirements of the said sub-clause.

For Boruka Aluminium Limited

Place: Mysore
Date: 26th August, 2011

R.K. Aggarwal
Managing Director

Ajay Kumar Dalmia
CFO



AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

To the Members
Bhoruka Aluminium Limited
Mysore

We have examined the compliance of the conditions of Corporate Governance by Bhoruka Aluminium Limited, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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, 2011 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
Firm Reg. No. : 00049S

Place : Mysore
Date : 26th August, 2011

AUDITORS' REPORT TO THE MEMBERS

1. We have audited the attached Balance sheet of M/s. BHORUKA ALUMINIUM LIMITED as at March 31, 2011 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 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, 2011, 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, 2011 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 subject to non-consolidation of Subsidiary Company Bhoruka Aluminium (FZE) UAE in view of no transactions as per Notes to Accounts No.19 under Item No.13 in terms of Section 212 (2) (c) of the Companies Act, 1956 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, 2011;
 - (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
Firm Reg No-00049S

Place: Mysore
Date: 5th May, 2011

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 unsecured loan at the beginning of the year from Bhoruka Agro Greens Limited amounting to Rs 12,03,45,327/= covered in the register maintained under Section 301 of the Companies Act, 1956. Consequent to the amalgamation of the said Company with the Company, the Outstanding amount is NIL.
 - (b) The rate of interest and other terms and conditions of loan taken by the company are prima 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, 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

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 has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and also 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 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 given guarantee for loans taken by one of its Associate Company Bhoruka Fabcons Private Limited 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 1,27,44,838 equity shares during the financial year to promoters and others includes conversion of Global Depository Receipts (GDRs) and Warrants into Equity Shares.

Further, the Company has allotted 59,03,333 Equity shares to the shareholders of erstwhile Bhoruka Agro Greens Limited consequent to amalgamation with the Company as per the scheme sanctioned by the Honourable High Court of Karnataka vide its Order dated 15th December, 2010.

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

Place: Mysore
Date: 5th May, 2011

M. Gandhi
Partner.
Membership No. 22958
Firm Reg No-00049S

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule No.	As at 31st March 2011 Rs.	As at 31st March 2010 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Shareholders' Funds			
Capital	01	261,840,710	75,359,000
Share Warrants	19(12)(a)	25,221,140	-
Reserves and Surplus	02	554,870,796	82,562,012
		<u>841,932,646</u>	<u>157,921,012</u>
Loan Funds			
Secured loans	03	487,672,441	512,963,098
Unsecured loans	04	82,623,000	160,268,327
		<u>570,295,441</u>	<u>673,231,425</u>
Deferred Tax Liability		14,543,739	13,998,731
		<u>1,426,771,826</u>	<u>845,151,168</u>
Total Funds Employed			
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross block	05	815,187,852	710,763,220
Less Depreciation		<u>187,936,637</u>	<u>147,855,207</u>
Net block		627,251,215	562,908,013
Capital Work in Progress		568,500	3,361,625
		<u>627,819,715</u>	<u>566,269,638</u>
Investments	06	122,093,050	10,963,800
Current Assets, Loans and Advances:			
Inventories	07	443,463,635	367,051,897
Sundry debtors	08	286,934,299	328,729,941
Cash and bank balances	09	392,521,492	41,020,004
Loans and advances	10	32,337,037	21,531,265
		<u>1,155,256,463</u>	<u>758,333,107</u>
Less: Current Liabilities and Provisions:			
Liabilities	11	449,906,308	464,372,411
Provisions	12	28,491,093	26,042,967
		<u>478,397,401</u>	<u>490,415,378</u>
Net Current Assets		676,859,061	267,917,729
		<u>1,426,771,826</u>	<u>845,151,168</u>
Total Assets (Net)			
Notes on Accounts	19		

Schedule 1 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
Mysore, 5th May, 2011

Ajay Kumar Dalmia
CFO

Pranab Panigrahi
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule No.	Year ended 31st March 2011 Rs.	Year ended 31st March 2010 Rs.
INCOME			
Sales		1,629,381,400	1,371,305,449
Less: Excise Duty		145,432,389	104,829,855
Net Sales		1,483,949,011	1,266,475,594
Agricultural Sales		4,559,665	-
Miscellaneous income	13	7,203,676	10,171,218
Increase/(Decrease) in Stock	14	13,341,489	46,023,452
TOTAL		1,509,053,841	1,322,670,264
EXPENDITURE			
Materials consumed		989,266,368	853,118,362
Manufacturing expenses	15	183,832,520	159,648,712
Plantation Expenses		943,064	-
Personnel expenses	16	115,781,232	94,085,913
Selling & Administrative expenses	17	76,222,566	68,351,540
Finance charges	18	92,355,662	112,597,016
Depreciation		35,739,094	24,224,826
TOTAL		1,494,140,506	1,312,026,369
Profit before Tax		14,913,335	10,643,895
Income Tax for Earlier Year		73,848	368,343
Provision for Deferred Tax		545,008	2,858,502
Profit after Tax		14,294,479	7,417,050
Balance brought forward from previous year		2,504,512	(4,912,538)
Balance Available for Appropriation		16,798,991	2,504,512
Balance carried to Balance Sheet		16,798,991	2,504,512
Earning per Share		0.55	0.98
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
Mysore, 5th May, 2011**Ajay Kumar Dalmia**
CFO**Pranab Panigrahi**
Company Secretary

SCHEDULES TO THE ACCOUNTS

	31st March 2011 Rs.	31st March 2010 Rs.
1. SHARE CAPITAL		
AUTHORISED		
3,60,00,000 (1,47,50,000) EQUITY SHARES OF RS.10/- EACH	360,000,000	147,500,000
NIL (2,50,000) UNCLASSIFIED SHARES OF RS.10/- EACH	-	2,500,000
(Converted to Equity Share during the year)	360,000,000	150,000,000
ISSUED, SUBSCRIBED AND PAID UP		
26,184,071 Equity shares of Rs. 10/- each fully paid up	261,840,710	75,359,000
Notes:-		
a) 4,30,222 shares were allotted at a premium of Rs 35/- per share on exercise of option of conversion of warrants by the promoters on 14 th Dec. 2010		
b) 1,12,26,280 shares were allotted at a premium of Rs 31.10 in lieu of 11,22,628 GDR which got listed with the Luxemburg Stock Exchange on 3 rd Dec. 2010		
c) 10,88,336 equity shares were allotted at a premium of Rs. 35 per share on preferential basis on 14 th Dec. 2010		
d) 59,03,333 shares were allotted on 27 th Jan. 2011 in the ratio of 28 shares for every 3 shares held by the shareholders of erstwhile Bhoruka Agro Greens Ltd pursuant to the scheme of amalgamation effective 1 st April, 2010 sanctioned by the Honourable High Court of Karnataka vide its order dated 15.12.2010. Amount received other than Cash		
	261,840,710	75,359,000
2. RESERVES and SURPLUS		
a) Amalgamation Reserve	78,571,757	-
Less: Expenses incurred on Amalgamation	2,851,506	-
	75,720,251	-
b) Capital Reserve	57,500	57,500
c) Share Premium Account		
Opening Balance	58,500,000	58,500,000
Received During the Year	402,286,838	-
Less: Expenses incurred on Issue of Shares	19,992,784	-
	440,794,054	58,557,500
d) Central subsidy	1,500,000	1,500,000
e) General Reserve	20,000,000	20,000,000
f) Profit & Loss Account - balance	16,798,991	2,504,512
	554,870,796	82,562,012

SCHEDULES TO THE ACCOUNTS

	31st March 2011 Rs.	31st March 2010 Rs.
3. SECURED LOANS		
Term Loans		
From Banks	279,362,931	261,418,999
(Including foreign currency term loan (FCTL) of Rs NIL (Previous year Rs. 4,48,92,157) (Repayable within one year Rs.59,319,189 Previous year Rs. 44,918,887) Secured by hypothecation of Vehicles acquired under hire purchase agreements	3,897,935	6,316,823
Working Capital Loans from Banks	204,411,575	245,227,276
(Including foreign currency loan (FCNR) of Rs 11,34,39,608 (Previous year Rs.9,36,15,195) 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	487,672,441	512,963,098
4. UNSECURED LOANS		
Karnataka State Development Loan	923,000	923,000
From Companies	75,500,000	159,345,327
From Director and Shareholder	6,200,000	-
	82,623,000	160,268,327

5. FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block			
	As at 01.04.2010	Added on Amalgamation	Additions	Deletions	Balance as at 31.03.2011	Up to 01.04.2010	Added on Amalgamation	For the year	Adjustment on deductions	Balance as at 31.03.2011	As at 31.03.2011	As at 31.03.2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land - Freehold	916,423	6,131,415	-	-	7,047,838	-	-	-	-	-	7,047,838	916,423
Building	219,246,095	-	4,836,250	56,372	224,025,973	26,109,323	-	7,431,710	46,626	33,493,407	190,532,566	193,137,772
Plant & Machinery	399,979,386	-	65,509,811	-	465,489,197	91,979,269	-	18,987,980	-	110,967,249	354,521,948	308,000,117
Electrical installations	42,291,758	-	1,615,296	-	43,907,054	10,963,837	-	2,825,307	-	13,789,144	30,117,910	31,327,921
Computers	11,680,425	-	1,642,751	30,831	13,292,345	3,887,869	-	2,059,794	1,136	5,946,527	7,345,818	7,792,556
Office Equipments	11,375,463	-	241,524	287,990	11,328,997	6,584,661	-	1,167,693	283,362	7,469,992	3,880,005	4,790,802
Furniture & fixtures	6,369,378	-	2,350,336	-	8,719,714	2,163,997	-	407,793	-	2,571,790	6,147,925	4,205,381
Motor vehicles	18,904,292	-	98,236	507,171	18,495,357	6,167,251	-	1,750,013	245,424	7,671,840	10,623,517	12,737,041
Agricultural Assets	-	22,881,377	-	-	22,881,377	-	4,918,884	1,108,804	-	6,027,688	16,853,689	-
T O T A L	710,763,220	29,012,792	76,294,204	882,364	815,187,852	147,855,207	4,918,884	35,739,094	576,548	187,936,637	627,251,217	562,908,013
Previous Year	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	-
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	-	568,500	3,361,625
Total											627,819,715	566,269,638

SCHEDULES TO THE ACCOUNTS

	31st March 2011 Rs.	31st March 2010 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)	59,300	11,300
INVESTMENT IN SUBSIDIARY		
Bhoruka Aluminium FZE	111,081,250	-
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>122,093,050</u>	<u>10,963,800</u>
Market Value of quoted Investments	<u>76,036,825</u>	<u>127,486,975</u>
7. INVENTORIES:		
(As taken valued and certified by the management)		
AT LOWER OF COST AND NET REALISABLE VALUE		
Finished goods	69,768,571	54,064,059
Goods at bonded warehouse	-	6,742,341
Raw materials	35,142,515	46,824,643
Work in progress	124,680,559	121,075,307
Stores, spares & consumables (At cost)	213,097,924	138,345,547
Coffee Stock	774,066	-
	<u>443,463,635</u>	<u>367,051,897</u>
8. SUNDRY DEBTORS		
(Unsecured - considered good)		
Outstanding for more than six months	2,068,019	1,768,402
Others	284,866,280	326,961,539
	<u>286,934,299</u>	<u>328,729,941</u>
9. CASH AND BANK BALANCES		
Cash in hand	1,383,345	1,457,550
Balances with Scheduled banks		
- In Current accounts	175,943	600,257
- In Deposit accounts*	39,108,000	38,962,197
Balances with Foreign Bank	351,854,204	-
*Deposited with bank against Guarantee issued and as Margin Money		
	<u>392,521,492</u>	<u>41,020,004</u>
10. LOANS AND ADVANCES		
(Unsecured - considered good)		
Advances recoverable in cash or in kind or for value to be received	20,828,264	8,961,726
Advance Payment of Taxes	752,869	2,948,283
Deposits	10,755,904	9,621,256
	<u>32,337,037</u>	<u>21,531,265</u>

SCHEDULES TO THE ACCOUNTS

	31st March 2011 Rs.	31st March 2010 Rs.
11. CURRENT LIABILITIES		
Sundry creditors	446,519,670	464,220,132
Other liabilities	3,386,638	152,279
	<u>449,906,308</u>	<u>464,372,411</u>
12. PROVISIONS		
Gratuity & Leave Encashment	28,491,093	26,042,967
	<u>28,491,093</u>	<u>26,042,967</u>
13. MISCELLANEOUS INCOME		
Exchange Rate Difference	3,885,143	6,686,798
Other Income (TDS deducted Rs. 58,200 Previous year nil)	3,138,533	3,484,420
Rent	180,000	-
	<u>7,203,676</u>	<u>10,171,218</u>
14. INCREASE/(DECREASE) IN STOCK		
Closing Stock :		
Finished goods	69,768,571	54,064,059
Goods at bonded warehouse	-	6,742,341
Work in progress	124,680,559	121,075,307
Coffee Stock	774,066	-
	<u>195,223,196</u>	<u>181,881,707</u>
Less : Opening 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>13,341,489</u>	<u>46,023,452</u>
15. MANUFACTURING EXPENSES:		
Power and fuel	114,120,640	99,723,115
Consumption of stores, spares & consumables	57,479,505	54,528,114
Others	9,140,490	1,957,655
Repairs and maintenance to machineries	2,532,781	3,275,601
Repairs and maintenance to buildings	559,104	164,227
	<u>183,832,520</u>	<u>159,648,712</u>
16. PERSONNEL EXPENSES		
Salaries, wages and bonus	98,661,398	78,308,152
Gratuity	2,306,727	3,815,277
Contribution to provident and other funds	4,583,107	3,591,711
Workmen and staff welfare expenses	10,230,000	8,370,773
	<u>115,781,232</u>	<u>94,085,913</u>

SCHEDULES TO THE ACCOUNTS

	31st March 2011 Rs.	31st March 2010 Rs.
17. ADMINISTRATIVE EXPENSES		
Freight outward	2,677,009	2,630,924
Packing charges	22,476,277	26,634,874
Sales Tax and Octroi	2,742,122	2,564,178
Sales Promotion & Advertisement	9,285,548	4,680,323
Discount & commission	454,567	2,867,751
Rent	6,719,758	1,861,440
Rates and taxes	785,739	605,576
Repairs & Maintenance Others	2,937,364	1,295,705
Telephone charges	1,875,566	1,661,169
Printing and stationery	1,547,412	1,281,774
Insurance	927,712	1,673,668
Legal and Consultancy charges	4,432,353	5,442,775
Travelling & conveyance expenses	9,352,192	8,219,328
Directors' Remuneration		
Salaries & Allowance	6,047,289	1,747,500
Fees	780,000	612,000
Auditors Remuneration	75,000	75,000
Miscellaneous expenditure	2,924,862	4,208,534
Loss on Sale of Fixed Assets	181,796	289,021
	76,222,566	68,351,540
18. FINANCE CHARGES		
Fixed loans	39,196,818	23,069,128
Other loans	36,469,096	77,482,115
Bank / Other charges	18,742,143	14,479,032
	94,408,057	115,030,275
Less: Interest received	2,052,395	2,433,259
(Tax at source Rs.1,79,690 Previous year Rs.2,88,608)	92,355,662	112,597,016

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. Material 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 capitalized.

Depreciation is provided on Fixed Assets from the date 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, in the value of long-term investments 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 are assessed at each balance sheet date and loss is recognized 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, 2011	31 st March, 2010
Estimated amount of contracts remaining to be executed on capital account	Nil	Nil
Bills discounted with Banks	1738.94	2008.37
Bank Guarantees outstanding	27.50	52.38
R O R	194.43	194.43
Service tax under dispute	0.65	0.65

3. DIRECTORS' REMUNERATION:

(Rupees)

Particulars	31 st March, 2011	31 st March, 2010
Managing Director		
Salary & Allowances	2,400,000	937,500
Money value of Perquisites	402,711	1,189,173
Contribution to Provident & Other Funds	180,000	90,000
Executive Director		
Salary & Allowances	2,400,000	810,000
Money value of Perquisites	600,000	87,136
Contribution to Provident & other Funds	288,000	54,000
Wholetime Director		
Salary & Allowances	230,000	-
Money value of Perquisites	27,575	-
Contribution to Provident & Other Funds	12,000	-

4. In terms of Accounting Standard (AS-11) "changes in Foreign Exchange Rates" on translation of monetary items at the year end exchange rate, there is notional exchange gain of Rs. 3,885,143 which has been accounted in the Profit & Loss Account.

5. GROUP:

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

6. RELATED PARTY 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 Party	Nature of Relationship	Transactions (Rupees)		
		Nature of the Transaction	Amount in Rs.	Outstanding as on 31 st March, 2011
Bhoruka Fabcons Pvt.Ltd.	Associate	Sales Purchase	84,502,232 3,700,913	12,046,597
Maverick Infotec Pvt. Ltd.	Associate	Services	551,500	2,361,209
Urmila Agarwal	Associate	Rent	960,000	72,000
Rajat Agarwal	Executive Director	Office Rent	4,915,650	3,085,805

7. EARNINGS PER SHARE:

Particulars	31 st March, 2011	31 st March, 2010
No. of equity shares outstanding (Nos in lakhs)	261.841	75.359
Net profit after tax available for equity shareholders (Rs. In lakhs)	142.94	77.854
Basic earning per share of Rs.10 each	0.55	0.98
Diluted earning per share of Rs.10 each	0.55	0.98

8. AUDITORS' REMUNERATION:

(In Rupees)

Particulars	31 st March, 2011	31 st March, 2010
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. Adequate provisions as required by Accounting Standard 15 employees benefits has been made and no further liability on this account is envisaged

11. HIRE PURCHASE:

Motor vehicles purchased on non-cancelable hire purchase basis:

(In Rupees)

Particulars	31 st March, 2011	31 st March, 2010
Hire purchase expenditure included in Profit and Loss account	606,433	893,303
Total minimum installments for fixed and non-cancellable term as year ended	3,897,936	6,316,823
Not later than one year	2,119,189	2,418,887
More than one year less than five years	1,778,747	3,897,936

12. a) On 14th December, 2010 the Company had issued 17,17,222 Equity share Warrants to the Bodies Corporate in the Promoters group on Preferential basis convertible into even number of equity share of Rs.10/- each at a premium of Rs.35/= per share at any time within a period of 18 months from the date of Issue. Accordingly, 4,30,222 Equity shares were allotted on exercise of conversion option leaving a balance of 12,87,000 Warrants to be converted into Equity shares.
- b) As per the terms of the issue, if the option is not exercised on or before 13th June, 2012 against the aforesaid balance warrants, the said warrants stand lapsed.

c) SCHEME OF AMALGAMATION

In terms of Scheme of Amalgamation as approved by members of the company at a court convened meeting held on 1st September,2010 and subsequently sanctioned by the Hon'ble High Court of Karnataka, judicature at Bangalore vide its order dated 15th December, 2010 approving the Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956 the erstwhile Bhoruka Agro Greens Limited (BAGL) is merged with the Company with effect from appointed date i.e. 1st April, 2010. In accordance with the said scheme:

1. The Assets, liabilities including contingent liabilities, reserves, rights and obligations of BAGL have been vested in the Company w.e.f. 1st April, 2010 and have been recorded at their respective book values under the pooling of interest method of accounting for

Amalgamation as prescribed by Accounting Standard – 14 issued by the institute of Chartered Accountants of India after making adjustments to ensure uniform accounting policy as stated in(4) below.

2. 5903333 Equity shares of Rs. 10/- each of the Company allotted on 27th January,2011 as fully paid up shares to the shareholder of erstwhile BAGL in ratio of 28 Equity shares of the Company of Rs.10/- each for every 3 shares of BAGL of Rs. 10/- each without payment being received in cash.
3. There is no change in method of providing depreciation on fixed assets between the BAGL and the Company.
- 13.** The Company has incorporated a wholly owned Subsidiary Company on 29th November 2010 in UAE since there were no business transactions and in view of Section 212 (2) (c) of the Companies Act, 1956 consolidation of the accounts with the Company is not considered during this year only.
- 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, 2011		March 31, 2010	
	Quantity MT	Amount Rs.	Quantity MT	Amount Rs.
Capacity and production				
Class of goods : Aluminium Extrusions				
Installed capacity	18,000		18,000	
Production	8,636		7,992	
Sales - Extrusions Manufactured	8,581	1,476,745,335	7,924	1,264,520,089
Sales - Scrap		789,690		1,955,505
Agricultural Sales		4,559,665		-
Opening Stock	234	54,064,059	166	36,351,591
Stocks at Bonded Warehouse	32	6,742,341	160	16,802,833
Closing Stock	289	69,768,571	234	54,064,059
Stocks at Bonded Warehouse		-	32	6,742,341
Coffee Stock		774,066		-
Raw Material consumed				
Aluminium ingots/billets/scrap	8721	978,794,386	7,941	843,347,118
Alloy metals	89	10,471,982	89	9,771,244
		989,266,368		853,118,362
Value of imported and indigenous raw-materials and stores & spares consumed	Value (Rs)	%	Value (Rs)	%
Raw materials - Imported	-	-	40,628,851	4.76%
- Indigenous	989,266,368	100.00%	812,489,511	95.24%
	989,266,368	100.00%	853,118,362	100.00%
Stores and spares parts				
- Imported	1,596,266	2.78%	4,387,001	8.05%
- Indigenous	55,883,239	97.22%	50,141,113	91.95%
	57,479,505	100.00%	54,528,114	100.00%

Particulars	March 31, 2011		March 31, 2010	
	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.
Value of Imports on C I F Basis				
Raw materials	-		40,628,852	
Stores and spare parts	1,596,266		16,179,354	
	1,596,266		56,808,206	
Expenditure in Foreign Currency				
Travelling	1,544,281		1,844,581	
Interest on FCNRB, FCNB	10,101,597		11,998,368	
Others	3,333,068		2,198,166	
	14,978,946		16,041,115	
Earning in Foreign Exchange				
Export on FOB basis	13,505,259		16,162,910	
	2010-11		2009-10	
Segment Information				
Segment Revenue				
Extrusion Division	1,490,972,687		1,276,646,812	
Agro Division	4,739,665		-	
Net Income From Operation	1,495,712,352		1,276,646,812	
Segment Result				
Extrusion Division	105,251,885		123,240,911	
Agro Division	2,017,112		-	
	107,268,997		123,240,911	
Interest Expense	92,355,662		112,597,016	
Profit Before Tax	14,913,335		10,643,895	
Other Information				
Segment Assets				
Extrusion Division	972,703,709			
Agro Division	25,078,249			
Segment Liabilities				
Extrusion Division	1,037,387,360			
Agro Division	600,449			
Capital Expenditure				
Extrusion Division	75,411,840		341,709,247	
Agro Division	2,714,429		-	
Depreciation				
Extrusion Division	181,908,949		147,855,207	
Agro Division	6,027,688		-	

The Company operates mainly in India and therefore there are no separate geographical segments

In terms of our report of even date

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

M. Gandhi
Partner.
Membership No: 22958
Firm Regd No.: - 00049S
Mysore : 5th May, 2011

Dr. M.K. Panduranga Setty
Chairman

Ajay Kumar Dalmia
CFO

For and on behalf of the Board

R.K. Aggarwal
Managing Director

Pranab Panigrahi
Company Secretary

Rajat Agarwal
Executive Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in lakhs)

Particulars	March 31, 2011	March 31, 2010
A. Cash flow from Operating activities		
Net profit before Tax	149.13	106.44
Depreciation	357.39	242.25
Loss on Sale of Fixed Assets	1.82	2.89
Interest Payments	944.08	1,150.30
Interest Received	(20.52)	(24.33)
Operating profit before working capital changes	1,431.90	1,477.55
Adjustments for:		
Increase/Decrease in Trade and other receivables	417.94	(1,772.57)
Increase/Decrease in Trade payables and other Liabilities	(120.20)	1,836.42
Increase/Decrease in Inventories	(764.14)	(840.21)
Loans and Advances	(108.82)	180.39
Tax paid	0.74	(3.68)
Net Cash from Operating Activities	857.42	877.90
B. Cash flow from Investment Activities		
Purchase of Fixed Assets	(975.97)	(524.07)
Investments	(1,111.29)	-
Sale of Fixed Assets	1.24	4.09
Net cash used in Investing activities	(2,086.02)	(519.98)
C. Cash flow from Financing Activities		
Proceeds from issue of Share Capital	6,444.36	885.00
Proceeds from issue of Share Warrant	252.18	-
Receipts/Repayment of Secured Loans	(252.91)	(752.55)
Receipts/Repayment of Unsecured Loans	(776.45)	677.90
Interest on Borrowings	(923.56)	(1,125.97)
Net cash from financing activities	4,743.62	(315.62)
Net increase in cash and cash equivalents	3,515.02	42.30
Opening balance of cash & cash equivalents	410.20	367.91
Closing balance of cash & cash equivalents	3,925.22	410.20

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.
Membership No: 22958
Firm Regd No.: 00049S
Mysore : 5th May, 2011**Ajay Kumar Dalmia**
CFO**Pranab Panigrahi**
Company Secretary

**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:	31.03.2011		

II Capital raised during the year

Public Issue	Nil	Bonus Issue	Nil
Rights Issue	Nil	Private Placement	186,481,710

III Position of Mobilisation and Deployment of Funds:

Total Liabilities	1,426,771,826	Total Assets	1,426,771,826
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Sources of Funds:

Paid up capital	261,840,710	Reserves & Surplus	554,870,796
Secured Loans	487,672,441	Unsecured Loans	82,623,000

Application of Funds:

Net Fixed Assets	627,819,715	Investments	122,093,050
Net Current Assets	676,859,061	Misc. Expenditure	-

IV Performance of Company

Total Income	1,509,053,841	Total Expenditure	1,494,140,506
Profit before tax	14,913,335	Profit after tax	14,294,479
Earning per share in Rupees	0.55	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.: _____

No. of shares held : _____

DP Client ID: _____

I/We _____ of _____
being member/members of Bhoruka Aluminium Limited, hereby appoint _____ of
_____ or failing him/her _____ of _____ as my/our proxy to vote
for me/us and my/our behalf at the **31st Annual General Meeting of the Company** to be held on **Saturday, 24th day of September, 2011** at **11.30 a.m.** at the Registered office of the Company at No. 1 K.R.S.Road, Metagalli, Mysore-570 016 or at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix
Revenue
Stamp One
Rupee

Signature of the Shareholder

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

Bhoruka Aluminium Limited

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

ATTENDANCE SLIP

31ST ANNUAL GENERAL MEETING - 2011

(Please complete this attendance slip and hand it over at the entrance of the meeting hall)

Regd. Folio No.: _____

No. of shares held : _____

DP Client ID: _____

I hereby record my presence at the **31st Annual General Meeting** of the shareholders of the company being held on **Saturday, 24th day of September, 2011** at **11.30 a.m.** at the Registered office of the Company at No. 1 K.R.S.Road, Metagalli, Mysore-570 016.

Name and Address of the Shareholder _____

Signature of the

Shareholder / Proxy _____



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