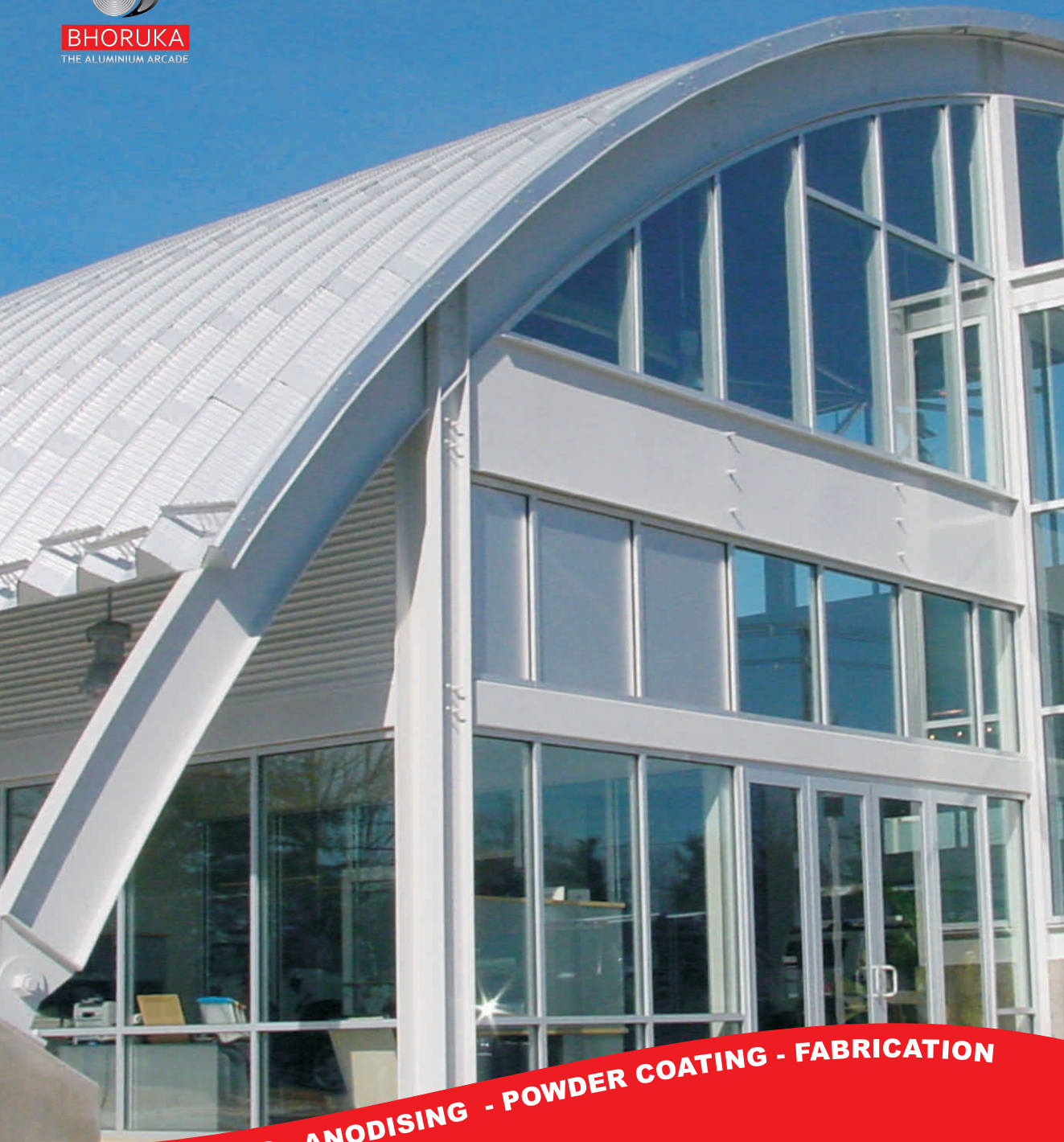




BHORUKA
THE ALUMINIUM ARCADE



EXTRUSIONS - ANODISING - POWDER COATING - FABRICATION

ANNUAL REPORT 2012-13

(6 Months)



CORPORATE INFORMATION

Board of Directors	Dr.B.L.Amla Shri S.P.Shanthinath Shri R.E.Singh 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
Principal Bankers	State Bank of India	
Statutory Auditors	M/s. R.S Agarwala & Co., Chartered Accountants	
* Registered Office & Works	# 1, KRS Road Metagalli Mysore – 570 016.	
Registrars & Share Transfer Agents	M/s Karvy Computershare Private Limited 17-24, 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	

* Refer Addendum at page no. 66 for New Registered Office Address.

33rd Annual General Meeting

**Date :
Monday, 30th September, 2013**

Time : 10:00 a.m

**Venue :
Hotel Royal Inn
435, KRS Road, Metagalli, Mysore - 570 016**

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NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the members of the Company will be held on **Monday, the 30th September, 2013 at 10:00 a.m.** at Hotel Royal Inn, # 435 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, 2013 (6 months) and the Profit and Loss Account for the financial period ended as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri S.P.Shanthinath, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

By order of the Board

Place : Mysore
Date : 25th May, 2013

R.K. Aggarwal
Managing Director

NOTES:

1. 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.
2. 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.
3. Members / Proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting.
4. The Register of Members and Share Transfer Books will remain closed from **Friday, the 27th September, 2013 to Monday, the 30th September, 2013** (both days inclusive) for the purpose of Annual General Meeting.
5. Corporate members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising such representative (s) to attend and vote at the Annual General Meeting.
6. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its Registered Office at least seven days prior to the date of Annual General Meeting to enable the Management to compile the relevant information to reply the same in the meeting.
7. The Equity shares of the Company have been notified for compulsory trading in demat form by all investors and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Shareholders are requested to avail this facility and get their shareholding converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the

Share Certificates through their Depository Participant (DP) to M/s. Karvy Computershare Private Limited, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad -500 081.

8. 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.
9. UNCLAIMED DIVIDENDS
 - a) All the Members and Beneficial Owners 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**".
 - b) The members who hold the unencashed Dividend Warrants are requested to revalidate by sending the same to the Company Secretary, Bhoruka Aluminium Limited, No.1 KRS Road, Metagalli, Mysore-570 016.
 - c) 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. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 25th February, 2013 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs (MCA).
 - d) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Karvy Computershare Private Limited, Hyderabad.
10. **The brief profile of the Director proposed to be appointed/re-appointed is furnished in the Corporate Governance Report.**
11. Service of documents through E-mail – Details pertaining to the service of documents through E-mails are furnished in Corporate Governance Report, which forms part of the Annual Report.

By order of the Board

Place : Mysore
Date : 25th May, 2013

R.K. Aggarwal
Managing Director

DIRECTORS' REPORT

The Board of Directors of your company hereby present the 33rd Annual Report together with the audited statement of accounts for the Six months financial period ended **31st March, 2013**.

1. Review of Financial Results

The current year's Financial Statements of your Company have been prepared for a period of six months from 1st October, 2012 to 31st March, 2013. Hence, the figures for the current period are not comparable with the figures of the previous accounting period, which was of 18 months from 1st April, 2011 to 30th September, 2012.

The financial statements of the Company are prepared in compliance with the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India and mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI). The Company discloses standalone unaudited financial results on a quarterly and audited financial results on an annual basis.

(Rs.)

Particulars	For the period ended	
	31 st March 2013 (6 months)	30 th September 2012 (18 months)
Revenue from operations	261,318,292	1,583,895,502
Profit before Finance charges, depreciation & tax	(62,757,843)	(95,579,252)
Financial charges	6,913,606	166,497,364
Depreciation	17,375,953	60,426,824
Profit /(Loss) before tax and Exceptional items	(87,047,402)	(322,503,440)
Add: Exceptional items	-	298,158,759
(Loss)/Profit before tax	(87,047,402)	(620,662,199)
Taxes for earlier year	-	1,205,629
Deferred Tax for earlier years	-	(14,543,739)
(Loss)/Profit for the period	(87,047,402)	(607,324,089)

2. Operations

Indian Economy faces a slow and painful recovery out of the worst slump in a decade, besides the global economy has been witnessing extraordinary instability. The macroeconomic and industrial scenario in the country during the year under review has been extremely challenging. An environment of reducing GDP growth, high interest rates and persistent inflation has put considerable pressure on your Company's performance with sales and profits not growing during this period.

High inflation, rise in input costs, petroleum products, cost of energy, labour cost, fluctuation in foreign currency exchange rates and higher interest in commercial borrowings, continuous strain on working capital, the Company could achieve a gross turnover of Rs. 26.13 Crore during the six months financial period ended under review. Because of slow down seen in the building, construction and infrastructure segment from late 2011, and other major sectors that consume aluminium extrusions the scenario started worsening for the Company in terms of financial strength thereby incurring a loss of Rs. 8.70 Crore for the six months financial period ended 31st March, 2013.

3. Non-Performing Asset

As informed in our previous year's report, the debts of the company continue to be classified as a Non-Performing Asset from 31.12.2011 in accordance with the directives relating to asset classification issued by RBI. The company has taken up the matter with creditors for revival of assets reclassification.

4. Restructuring of Business Activities

In accordance with the approval granted by the Shareholders through Postal Ballot for transfer of Aluminium Extrusion business by way of slump sale pursuant to Section 293(1)(a) of the Companies Act, 1956, and as a part of restructuring, the Company has entered into a formal agreement with YKK Holding Asia Pte Ltd. Singapore on 1st March, 2013, for transfer of the aluminium extrusion business of the Company. The completion of the transaction is subject to statutory compliances and certain conditions precedent including consent from the secured lenders.

5. Subsidiary Company

The Company has incorporated a wholly owned subsidiary company named "Bhoruka Aluminium FZE" on 29th November, 2010 in UAE. A statement pursuant to Section 212 of the Companies Act, 1956, relating to the subsidiary is attached to the Accounts. In terms of the General Circular No.2/2011 dated 8.02.2011 issued by the Central Government relating to directions under Section 212(8) of the Companies Act, 1956, the Board of Directors of the Company has granted its consent by way of resolution for not attaching the copy of the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the subsidiary with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same. The annual accounts of the subsidiary company will also be available for inspection during business hours at the Registered Office of the Company.

However, as directed by the Central Government, the financial data of the foreign subsidiary "Bhoruka Aluminium FZE" have been furnished under 'Details of Subsidiaries' forming part of the Annual Report. Pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes financial information of its subsidiary.

During the financial period under review, a new temporary subsidiary Company, namely, "Bhoruka Facades Private Limited" was incorporated on 11th February, 2013. The Company holds 9900 Equity Shares (99% holding) in the said subsidiary company. As per AS 21 issued by the Institute of Chartered Accountants of India (ICAI), a subsidiary company should be excluded from consolidation when the "control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future". Further Bhoruka Facades Private Limited will be closing its books of accounts in the next financial year, therefore, the Company has not incorporated the same in its Consolidated Financial Statements and is also not attaching subsidiary company's balance sheet with the balance sheet of the Company as required under Section 212 of the Companies Act, 1956.

6. Corporate Governance Report

We at BHORUKA believe that good and effective Corporate Governance is more of an organizational culture than a mere adherence to rules. Laws alone cannot bring changes and transformation and voluntary compliance both in form and in good substance plays an important role in developing a system of good Corporate Governance.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide the management with the strategic direction. Its initiatives towards adhering to highest standards

of good governance include: professionalization of the Board; fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance code requirements of SEBI. The Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it operates in.

The Company is in compliance of all mandatory requirements of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. For the period ended (6 months), the compliance status is provided in the Corporate Governance section of the Annual Report. A certificate issued by the Statutory Auditors of the Company on confirming compliance of the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchange forms part of this Directors' Report.

7. Management's Discussion and Analysis Report

Management's Discussion and Analysis report for the period 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.

8. Depositories

The Company is registered both with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

9. Directors

In accordance with the provisions of the Companies Act, 1956, and Articles of Association of the Company, Shri S.P. Shanthinath, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume of the aforesaid Director and other information has been detailed in the Corporate Governance Section of this report. Your Directors recommend his re-appointment as Director of your Company.

10. 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 Accounts for the 6 months period ended 31st March, 2013, 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, 2013 and of the LOSS of the company for the 6 months period 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 accounts of the Company for 6 months period on a 'going concern' basis.

11. 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.

12. Financial Year 2012-13

The Board of Directors of your Company has decided to close the Financial Year 2012-13 by

Annual Report 2012-13

31st March, 2013 in order to have uniform Financial Year i.e. April - March and also to align its Financial Year as per provisions of Clause 2(41) of the Companies Bill, 2012. Accordingly, the Financial Statement for the Financial Year 2012-13 has been prepared for a period of 6 (six) months i.e. from 1st October, 2012 to 31st March, 2013.

13. 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.

14. Auditors Observation

Please refer Sl. No. 6 (i) and (ii) of Independent Auditors Report and Sl. Nos. 3 (a), (b), 10 and 11 of Annexure to the Report

Management's reply

6. (i) Non-provision of interest on secured loan:

This is due to the debts of the company which were classified as NPA as on 31st December, 2011, hence the Company could not make any provision of interest for the same.

- (ii) Non-provision of interest on unsecured loan

In view of severe financial constraint, the Company has not made any provision for payment of interest on unsecured loan. The parties have agreed and requested for payment of principal amount. The Company is in the process of repayment of the principal amount as and when the fund is available.

3. (a) and (b)

The company has certain transactions with associate companies that have been classified as interest free loan based on the recommendation of experts. The Company is in the process of recovering such dues, but the likelihood of this is challenging given the difficult economic scenario.

10. Accumulated losses, cash losses

The Company continues to be adversely impacted by high input cost, shrinking of market demand, squeezed margin, insufficient working capital and adverse business environment, which have all impacted the working results. Therefore, the Company has accumulated losses and incurred cash losses. Consequent to the Company becoming potentially sick industrial unit in the previous financial period ended 30.09.12 (18 months), the Company has made reference to the Board for Industrial and Financial Reconstruction (BIFR) in accordance with the provisions of Section 23(1) of Sick Industrial Companies (Special Provisions) Act, 1985.

11. Default in Repayment of dues

The default in repayment of dues to the Bank was due to continuous adverse economic conditions affecting demand and liquidity. To tide over the situation, the Company has made an application to the bank for rescheduling of the loan. However, the Bank has declared the Company as Non-Performing Asset (NPA) from 31st December, 2011. Further, the company has once again taken up the matter, with fresh submission, with secured creditors for revival of assets reclassification.

15. Sick Industrial Company

Consequent to the Company becoming potentially sick industrial unit in the previous financial period ended 30.09.2012 (18 months), it has made reference to the Board for Industrial and Financial Reconstruction (BIFR) in accordance with the provisions of Section 23(1) of Sick Industrial Companies (Special Provisions) Act, 1985.

16. 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, Practicing Cost Accountant has been appointed as Cost Auditor of the Company to conduct audit of the cost accounts of the Company for the six months financial period ending 31st March, 2013.

17. Corporate Social Responsibilities (CSR)

Responsible corporate citizenship has been a part of your Company's core values and the driving force for many of its initiatives. Bhoruka believes that responsible investments in this regard will generate long term value for all its stakeholders.

As a concerned Corporate Citizen, your Company believes that CSR initiatives are a way to pay back societal debt and obligations. 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.

18. 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.

19. 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.

20. Industrial Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Employees at all levels demonstrated a huge degree of commitment, support and hard work during tough and challenging times.

21. Acknowledgement

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Investors, Vendors, Dealers, Business Associates and Employees in such a difficult phase.

For and on behalf of the Board

Place : Mysore
Date : 25th May, 2013

Dr. B.L. Amla
Chairman

ANNEXURE I

The particulars as prescribed under sub-section (1)(e) of Section 217 of the Companies Act, 1956 read with 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 throughout 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 consequent impact on the cost of goods:
i) Per unit of Energy consumption has been increased to Rs.6.34 per unit for six months period 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.
- f) Your Company is always in look out for innovative and efficient energy conservation technologies and applies them prudently.

A. POWER AND FUEL CONSUMPTION

Particulars	31 st March, 2013 (6 months)	30 th Sept., 2012 (18 months)
1. Electricity:		
a. Purchased:		
Karnataka Power Transmission Corporation Ltd. Units (KWH)	2,317,735	11,394,460
Total Amount (Rs.) (Inclusive of Demand Charges and Surcharge)	14,695,387	67,523,511
Rate per Unit (Rs.)	6.34	5.93
b. Own Generation:		
i. Through Diesel generation Units (KWH)	33,081	116,991
Unit per litre of Diesel Oil	3.98	3.22
Cost per Unit (Rs.)	13.55	13.48
ii. Through Stream Turbine/Generator	Nil	Nil
c. Others - purchased (KWH)	Nil	Nil
Rate per Unit (Rs.)	Nil	Nil
2. Coal (Specify quality and Where used)	Nil	Nil
3. Furnace Oil		
Quantity (Kgs)	78,315	612,881
Total Amount (Rs.)	3,418,208	25,714,396
Average rate (per Kg.) (Rs.)	43.65	41.96
4. Others – Internal Generation	Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION		
Products – Aluminium Extrusion		
Production (M.Tons)	1,158.83	7,503
Electricity units/M. T.	2,029	1,534
Furnace Oil Kgs/MT	67.58	81.68
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.

Development of new products and processes related to extrusion.

Upgradation of products and processes to reduce environment and safety concerns.

Value engineering and improving formulation efficiency of existing products.

2) Benefits derived as a result

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

Process improvements being continued for improving productivity and energy efficiencies.

Improvement in quality and environment.

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.

To enhance technical capabilities to sustain its competitive position in the market.

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

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	31 st March, 2013 (6 months)	30 th Sept., 2012 (18 months)
a. Foreign Exchange Earnings	6,412,854	24,195,644
b. Foreign Exchange Outgo	6,612,389	33,355,287

For and on behalf of the Board

Place : Mysore
Date : 25th May, 2013

Dr. B.L. Amla
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE

The global economic scenario in Financial Year 2012-13 continued to be distressed with challenges. Major economies including Indian economy witnessed a slow growth filled with high inflation and the Eurozone was full of uncertainty. When the year progressed, business environment remained very difficult and operating in such a testing period of environment proved as a big challenge. India's aluminium production was lower by 16.5% at 1.72 million tonne in 2012-13 fiscal as against the target of 2.66 million tonne.

The Company is primarily engaged in aluminium extrusion business, having three state of art press, with installed capacity of 25000 M.T. per annum and also the Company has its own in-house powder coating and anodizing unit, which makes value addition to mill finish products.

In spite of high inflation, rising input cost, higher interest on borrowings, squeezed demand, strain on working capital, paucity of funds, the Company could sell 1174.95 M.T. during the six months period ended 31st March, 2013.

B. Opportunities

The Indian aluminum extrusions market has an installed capacity of about 4,00,000 Metric Tonnes (MT) per annum. The Building and Construction industry is the major consumer of aluminium extrusions in India. Future growth will come largely from the solar industry, automotive industry transportation and the industrial sector. Aluminium extrusion is ideal for all sectors of industry for green solutions. More demand from Industrial segments are expected. Aluminium Extrusion has brought about a significant revolution in the automotive, aerospace, packaging, building, construction and architecture segments.

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 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. Aluminium extrusion industry is highly fragmented with many manufacturers in organised and unorganised sectors.

D. Internal Control Systems 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. Rau & Nathan Chartered Accountants firm 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 of Financial Performance

1. Share Capital

Our Authorised Share Capital is Rs. 56,00,00,000/- divided into 5,60,00,000 Equity Shares of Rs.10 each (including Share Capital of Rs.1,00,00,000/- of Bhoruka Agro Greens Limited consequent to amalgamation). The issued, subscribed and paid up capital as at 31st March, 2013 was Rs. 54.94 Crore.

2. Operational Results

The turnover for the 6 months period ended 31st March, 2013 stood at Rs. 26.13 Crore. The period ended with a loss of Rs. 8.70 Crore. The turnover was lower for six months period in view of high inflation, rise in input costs, petroleum products, cost of energy, labour cost, fluctuation in foreign currency exchange rates and higher interest on commercial borrowings, continuous strain on working capital.

F Industrial Relations and Human Resource Development

Human capital has always been the most important and valuable asset to your Company. Your Company has enhanced its performance management process that motivates people to take ownership of their own performance and encourages innovation and meritocracy.

Your Company has created people practices which enables it to attract and retain potential talents. Employee relations in your Company continues to be cordial and harmonious.

G Cautionary Statement

Statement in the Management Discussion and Analysis Report describing the Company's objectives, 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 either 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 FOR SIX MONTHS FINANCIAL PERIOD ENDED 31ST MARCH, 2013.

Corporate governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. A well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. Corporate Governance is also 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 (BAL) 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

BAL is committed to conducting its business in accordance with the applicable laws, rules, regulations and notifications and with the highest standards of business ethics. The quality of our products and efficiency of our services at the most competitive prices is our greatest strength for our success. The purpose of this Code is to promote ethical conduct and deter wrong doing. This Code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The matters covered in this Code are of the utmost importance to the Company, our shareholders and business partners. Each officer is expected to comply with the Code in letter and spirit. The officers of the Company must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a congenial work environment.

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 and Independent Directors. The Chairman is also Non-Executive and Independent Director.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided under clause 49 of the listing agreement. None of the Independent Director is related to any other Directors on the Board.

a) Board Composition as on 31st March, 2013

Sl.No.	Name of the Director	Category
1	Dr. B.L. Amla	Non-Executive Chairman
2	Shri S.P. Shanthinath	Non-Executive Director
3	Shri R.E. Singh	Non-Executive Director
4	Shri R.K. Aggarwal	Managing Director
5	Shri Rajat Agarwal	Executive Director
6	Shri Akilesh Kumar Pandey	Wholetime Director

- b) During the six months financial period ended 31st March, 2013, five meetings of the Board of Directors were held viz. 29.11.2012, 01.01.2013, 11.02.2013, 25.02.2013 and 22.03.2013.
- c) Number of Board Meetings held and the attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies are as under for the period 1st October, 2012 to 31st March, 2013.

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. B.L. Amla	5	5	Yes	-Nil-	-Nil-	-Nil-
2	Shri S.P. Shanthinath	5	5	Yes	-Nil-	-Nil-	-Nil-
3	Shri R.E. Singh	5	5	Yes	-Nil-	-Nil-	-Nil-
4	Shri R.K. Aggarwal	5	5	Yes	1	-Nil-	-Nil-
5	Shri Rajat Agarwal	5	5	Yes	-Nil-	-Nil-	-Nil-
6	Shri Akilesh Kumar Pandey	5	5	Yes	-Nil-	-Nil-	-Nil-

As mandated by Clause 49, the Independent Directors on Bhoruka's Board:

- Apart from receiving Director's sitting fees, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior Management, its subsidiaries and associates, which may affect independence of the Director;
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board;
- Have not been an executive of the Company in the immediately preceding three financial years;
- Are not partners or executives, or were not partners or executives during the preceding three years of any of the following:
 - Statutory audit firm or the internal audit firm those are associated with the Company, and
 - Legal firm(s) and consulting firm(s) that have a material association with the Company;
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director;
- Are not substantial shareholders of the Company i.e. owning two per cent or more of the block of voting shares;
- Are not less than 21 years of age.

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 meeting. The information supplied to the Board includes:

- Annual Operation Plan and Budgets

Annual Report 2012-13

- Quarterly, half yearly and yearly results of the company
- Minutes of the meeting of the Board, Audit Committees and other Committees of the Board.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Statement on compliance with code of conduct.
- Details of transactions with Related Parties.
- Details of Inter Corporate Loans, Investments and Guarantees made/ given by the Company.

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

e) **Appointment / Re-appointment 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 S.P. Shanthinath
Age	62 Years
Date of Appointment	06-07-2012
Qualification	B.Sc. PGDMM
Profile	A Science graduate from the University of Mysore and holds a Post Graduate Diploma in Materials Management from Bangalore. He has wide knowledge and experience of over three decades in Commercial and Industrial field. He had served in various capacities with the organizations of repute.
No.of Companies (Others) in which he holds Directorship	NIL
Membership held in Committees of other Companies	NIL
Shareholding in the Company (No. & %)	200 (0.0003%)

COMMITTEES OF THE BOARD

3. AUDIT COMMITTEE

The role of the Audit Committee includes:

- a. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements 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

SI No.	Name of the Director	Title	Status
1.	Dr. B.L. Amla	Chairman	Independent and Non-Executive Directors
2.	Shri S.P. Shanthinath	Member	
3.	Shri R.E. Singh	Member	
4.	Shri R.K. Aggarwal	Member	Managing Director

During the six months financial period ended 31st March, 2013, two meetings of the Audit Committee were held viz 29.11.2012 and 11.02.2013.

Attendance of the Committee Members:

Name of the Member	Dr. B.L.Amla	Shri R.K. Aggarwal	Shri S.P. Shanthinath	Shri R.E. Singh
Number of meetings held	2	2	2	2
Meetings present	2	2	2	2

4. REMUNERATION COMMITTEE

Composition of the Remuneration Committee:

SI. No.	Name of the Director	Title	Status
1.	Shri S.P. Shanthinath	Chairman	Independent and Non-Executive Directors
2.	Shri R.E. Singh	Member	
3.	Dr.B.L. Amla	Member	

During the six months financial period i.e. 1.10.2012 to 31.03.2013 under review no meeting of the Remuneration Committee was held.

Details of the Remuneration paid to the Directors as on 31.03.2013 (6 months period)

(Amount Rs)

Name of Director	Position	Salary	Contribution to P.F	Perks and Allowance
Shri R.K. Aggarwal	Managing Director	12,00,000	90,000	1,79,717
Shri Rajat Agarwal	Executive Director	12,00,000	1,44,000	2,285
Shri Akhilesh Kumar Pandey	Wholetime Director	2,76,000	14,400	50,565

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

Sitting fees paid to Non-Executive Directors as on 31.03.2013 (6 months period)

Sl.No.	Name of the Director	Rs.
1	Dr.B.L.Amla	1,40,000
2	Shri S.P.Shanthinath	25,000
3	Shri R.E.Singh	25,000

5. SHAREHOLDERS GRIEVANCE COMMITTEE**Composition of the Shareholders Grievance Committee**

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

Role of the Committee is to redress the complaints relating to transfer, transmission of shares, non-receipt of dividend and related matters. Normally the grievances are resolved within a period of 8-10 days keeping the complaints as minimum as possible. This Committee has not met during the financial period (6 months), as there were no complaints received during the year except:

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

6. COMPOSITION OF BOARD COMMITTEE

Sl. No.	Name of the Director	Title	Status
1.	Dr. B.L.Amla	Chairman	Independent and Non-Executive Director
2.	Shri R.K. Aggarwal	Member	Managing Director
3.	Shri Akhilesh Kumar Pandey	Member	Wholetime Director

7. COMPLIANCE OFFICER

Shri R.K.Aggarwal, Managing Director is performing the duty of a Compliance Officer till the Company Secretary is appointed. The Company is utilising the services of a Practising Company Secretary to ensure strict compliance of the provisions of the Company Law, SEBI and BSE Regulations. The Company is in search of a suitable candidate for the position of Company Secretary and will be appointed shortly.

8. SUBSIDIARY COMPANY

The Company has incorporated a wholly owned subsidiary company named "Bhoruka Aluminium FZE" Sharjah, UAE on 29th November, 2010. 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, 2013 (financial year 6 months period)

During the financial period under review, a new temporary subsidiary Company, namely, Bhoruka Facades Private Limited was incorporated on 11th February, 2013. The Company holds 9900 Equity Shares (99% holding) in the said subsidiary company. As per AS 21 issued by the Institute of Chartered Accountants of India (ICAI), a subsidiary company should be excluded from consolidation when the "control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future". Further Bhoruka Facades Private Limited will be closing its books of accounts in the next financial year, therefore, the Company has not incorporated the same in its Consolidated Financial Statements and is also not attaching subsidiary company's balance sheet with the balance sheet of the Company as required under Section 212 of the Companies Act, 1956.

9. 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 financial year 31st March, 2013 (6 months period). A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

10. GENERAL BODY MEETINGS

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

Financial year	Date & Time	Venue	No. of special resolutions passed
2009-10	1 st September, 2010 At 11.45 a.m.	Registered Office # 1, KRS Road, Metagalli, Mysore – 570 016	Three
2010-11	24 th September, 2011 At 11.30 a.m.	Registered Office # 1, KRS Road, Metagalli, Mysore – 570 016	Four
2011-12 (18 months)	25 th February, 2013 At 11.30 a.m.	Registered Office # 1, KRS Road, Metagalli, Mysore – 570 016	Three

11. SPECIAL RESOLUTIONS PASSED WITH REQUISITE MAJORITY DURING THE PRECEDING THREE ANNUAL GENERAL MEETINGS

Financial Year	Date of AGM	Subject matter of Special Resolutions
2009-10	1 st September, 2010	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 under section 81(1A) of the Companies Act, 1956
2010-11	24 th September, 2011	1) Appointment of Shri Akhilesh Kumar Pandey as Whole Time Director of the Company pursuant to Section 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956. 2) To issue new securities under Section 81(1A) of the Companies Act, 1956 3) Adoption of new set of Articles of Association in place of existing Articles of Association pursuant to Section 31 of the Companies Act, 1956 4) Issue and Allotment of Bonus shares pursuant to the applicable provisions of the Companies Act 1956, Articles of Association and subject to SEBI (Issue of Capital and Disclosure) Regulations, 2009.
2011-12 (18 months)	25 th February, 2013	1) Re-appointment of Shri R.K. Aggarwal, Managing Director of the Company pursuant to Section 198, 269, 274, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 2) Re-appointment of Shri Rajat Agarwal, Executive Director of the Company pursuant to Section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 3) To note the erosion by more than 50% of the peak net worth of the Company and report the fact to the Shareholders and to Board for Industrial and Financial Reconstruction (BIFR)

Resolutions passed through Postal Ballot Process

During the year 2012-13 (6 months), 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
1 st January, 2013	Ordinary Resolution	Sale, transfer or dispose off the whole of the undertaking of the Company or any part thereof pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956.

The Company has issued Postal Ballot Notice to its shareholders on 29th November, 2012. The postal ballot process was undertaken in accordance with the provisions of Section 192A(2) of the Companies Act, 1956 ("the Act") read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 ("the Rules"). Mr. Sunil Kumar B.G. Practising Company Secretary of Sunil B.G. & Associates, Company Secretaries was appointed as Scrutinizer for conducting the Postal Ballot Process. The result of the Postal Ballot process was announced on 1st January, 2013.

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

Particulars	No. of Postal Ballot Forms	No. of Shares	Percentage of Paid-up Equity Capital (calculated on the basis of the Valid forms received / participated.)
Total Postal Ballot Forms Received	176	25,320,546	100.00 %
Less: Invalid Postal Ballot Forms (as per Register)	42	201,867	0.80 %
Net valid Postal Ballot Forms (as per Register)	134	25,118,679	99.20 %
Postal Ballot Forms with assent for the Resolution	113	24,727,889	97.66 %
Postal Ballot Forms with dissent for the Resolution	21	390,790	1.54 %

The resolution has been passed with requisite majority.

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

12. DISCLOSURES

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 to Financial Statements.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange 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.

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 Clause 49 of the Listing Agreement, the Auditors Certificate on Corporate Governance is given as Annexure. The status of the compliance with the non mandatory requirements of this clause has been detailed hereof.

Accounting treatment in preparation of financial statements

The financial statements of the Company are prepared in compliance with the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India and mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI). The Company discloses standalone unaudited financial results on a quarterly and audited financial results on an annual basis.

Internal Audit functions and Statutory Compliances

- i) Internal Audit functions of the Company have been carried out by M/s. Rau & Nathan 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**

In the absence of CFO, the Managing Director has certified to the Board in accordance with Clause 49(V) of the Listing Agreement and also as amended, for the 6 months financial period ended 31st March, 2013.

- iv) **Legal Compliance Reporting:** The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations.

13. 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 those exchanges. These Financial Results were normally published in Business Line and Sanjevani. Further, the same have been posted on the Company's website www.bhorukaaluminium.com

Annual Report: Annual Report of the Company containing, inter-alia, Audited Standalone Financial Statements, Consolidated Financial Statements, Directors' Report, Report on Corporate Governance, Auditors Report and other important information is circulated to the members and others entitled thereto for each financial year. The Management Discussion and Analysis Report forms part of the Annual Report.

Website: The Company's website www.bhorukaaluminium.com contains a separate section 'Investors' for use of investors. The quarterly, half yearly and annual financial results, official news releases are promptly and prominently displayed on the website. Annual Reports, Shareholding Pattern and other Corporate Communications made to the Stock Exchange are also available on the website.

14. 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 33rd Annual General Meeting of the Company will be held on Monday, the 30th September, 2013 at 10:00 a.m., at Hotel Royal Inn, # 435, K.R.S. Road, Metagalli, Mysore-570 016.

(c) Financial Calendar 2013-14 (Tentative)

Financial Year	April 01, 2013 to March 31, 2014
First quarter results	By the end of July, 2013
Second quarter results	By the end of October, 2013
Third quarter results	By the end of January, 2014
Fourth quarter results	By the end of April, 2014
Annual Results for the year ending 31 st March, 2014	By the end of May, 2014
Annual General Meeting for the year 2013-14	By the end of August, 2014

(d) Date of Book Closure

From Friday, the 27th September, 2013 to Monday, the 30th September, 2013 (both days inclusive)

(e) Unclaimed/ Undelivered Share Certificates

As per the provisions of clause 5A of the Listing Agreement, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company.

There were no unclaimed /undelivered Share Certificates during the six months financial period ended 31st March, 2013.

(f) Listing of Securities

Company's shares are listed and traded at Bombay Stock Exchange Limited (BSE). Annual Listing fee for the year 2013-14 has been paid to the Stock Exchange. The Custodian fees for both the depositories have also been paid for the year 2013-2014.

Scrip Code: BSE: 506027

Company's ISIN number is INE 866G01013

(g) Service of documents through Email

Ministry of Corporate Affairs ("MCA") has vide its Circular No.17 dated 21.4.2011 & Circular No. 18 dated 29.04.2011, undertaken a "Green initiative in the Corporate Governance" by allowing service of documents on members by a Company through electronic mode.

Members who have not registered their e-mail addresses so far are requested to register their e-mail address either with their Depositories or by writing to the Company or Registrars and Share Transfer Agents M/s. Karvy Computershare Private Limited, Hyderabad.

(h) Stock Prices Data

The details of monthly High & Low quotations on Bombay Stock Exchange during the financial period ended 31st March, 2013 (6 months) are as under:

Year 2012-13 (6 months)		Quotation (Rs)	
Month		High	Low
October	2012	1.77	1.07
November	2012	1.61	1.15
December	2012	1.54	1.12
January	2013	1.49	1.11
February	2013	1.33	0.88
March	2013	1.45	1.00`

(i) Distribution of Shareholding

The shareholding distribution of equity shares as on 31st March, 2013 (6 months period)

Share Holding Range(s)		Folios		Equity Shares Held	
From	To	Number	Percentage	Number	Percentage
1	5000	5,034	63.09	9,13,836	1.66
5001	10,000	862	10.80	7,47,942	1.36
10,001	20,000	608	7.62	10,50,051	1.91
20,001	30,000	244	3.06	6,53,823	1.19
30,001	40,000	193	2.42	7,27,291	1.32
40,001	50,000	175	2.19	8,46,865	1.54
50,001	1,00,000	352	4.41	27,66,434	5.04
1,00,001	and above	511	6.40	4,72,35,900	85.98
Total		7,979	100	5,49,42,142	100

(j) Shareholding Pattern as on 31st March, 2013 (6 months period)

Category	Number of shares held	Percentage of Shareholding (%)
Promoter and Promoter Group	1,85,51,538	33.77
Mutual Funds/UTI	0	0
Financial Institutions/Banks	0	0
Venture Capital Funds	0	0
Insurance Companies	0	0
Foreign Institutional Investors	0	0
Bodies Corporate	1,07,02,505	19.48
Individuals	2,52,18,505	45.89
NRIs	3,55,678	0.65
Clearing Members	1,13,916	0.21
GRAND TOTAL	5,49,42,142	100

k. 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). 98.62% of our Company's shares have been dematerialised as on 31st March, 2013

GDRs: Outstanding GDRs as on 31st March, 2013 are Nil.

Reconciliation of Share Capital:

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

l. Registrars and Share Transfer Agents

M/s.Karvy Computershare Private Limited
17-24 Vittal Rao Nagar, Madhapur
Hyderabad-500 081
E-mail: mailmanager@karvy.com
Website: www.karvy.com

m. Plant Location & 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 6 months financial period ended **31st March, 2013**.

For Boruka Aluminium Limited

Place: Mysore
Date: 25th May, 2013

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, I/We have certified to the Board that for the 6 months financial period ended **31st March, 2013** the Company has complied with the requirements of the said sub-clause.

For Boruka Aluminium Limited

Place: Mysore
Date: 25th May, 2013

R.K. Aggarwal
Managing Director



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 6 months financial period ended 31st March, 2013, as stipulated under Clause 49 of Listing Agreement of the said Company entered with the 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 6 months financial period ended 31st March, 2013 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.,**
Firm Reg No-00049S
Chartered Accountants

M. Gandhi
Partner

Membership No. 22958

Place: Mysore
Date: 25th May, 2013

INDEPENDENT AUDITORS' REPORT

To the Members of Boruka Aluminium Limited.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Boruka Aluminium Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013 (six months period i.e. October, 2012 to March, 2013) and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards of Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performance procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Notes to Financial Statement no. 22 under item no. 4A. The amount paid/ payable to the Managing Director and Executive Director amounting to Rs. 28,16,002/- was approved by ROC on 28.04.2013 based on Shareholders' approval at the Annual General Meeting held on 25.02.2013. However, we are having a view that the payment to Managing Director and Executive Director are to be approved by the Central Government.

Our opinion is not qualified in this matter.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required subject to non-consolidation of new temporary Subsidiary Company Boruka Facades Private

Limited, as per Notes to Accounts No.22 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 subject to -

- (i) Non provision of interest on secured bank loan to the extent of Rs.8,93,65,282/- for Six Months since the account is NPA from 31st December 2011 (to that extent loss is lower);
- (ii) Non-provision of interest on unsecured loan to the extent of Rs 2,00,555/- for 6 months (to that extent loss is lower) read together with the notes and accounting policies there on give a true and fair view generally accepted in India ;
 - (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013
 - (b) in the case of the Statement of Profit and Loss, of the Loss for the period ended October 2012 to March 2013 for 6 months; and
 - (c) in the case of the Cash Flow Statement for the period ended on that date.

Report on other Legal and Regulatory Requirements

- 7. As required by the Companies (Auditor's Report) Order 2003, as amended by ' the Companies (Auditor's Report)(Amendment) Order 2004 ' ("the Order") issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 8. As required by Section 227(3) of the Act, 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 purpose of our audit;
 - b. in our opinion proper books of accounts 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 purposes of our audit have been received from branches not visited by us);
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account (and with the returns received from branches not visited by us);
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report, comply with applicable Accounting Standards referred to sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on March 31,2013, 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, 2013, from being appointed as a director in terms of clause(g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **R.S. Agarwala & Co.**,
Firm Reg No-00049S
Chartered Accountants

M. Gandhi
Partner

Membership No. 22958

Place: Mysore
Date: 25th May, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

The Annexure referred to paragraph 7 of our Report of even date to the Members of Bhoruka Aluminium Limited on the accounts of the Company for the six months period ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
(c) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off during the period ended.
2. (a) 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.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of records, 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 explanation given to us,
 - (a) the Company has granted interest free loans to three companies in the previous years, all the above companies are covered in register maintained under section 301 of the Companies Act, 1956 and during the year the Company has given a loan of Rs.50,000/- to one of the above Companies. The maximum amount involved during the year was Rs.16,00,42,040/- and the outstanding balance at the end of the financial year was Rs.16,00,42,040/-. There are no stipulation as to the dates for the repayment of the loan.
 - (b) In our opinion, the rate of interest and other terms and conditions to the loan given to the Companies are prima facie, prejudicial to the interest of the Company.
 - (c) the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered 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 lakh each entered into during the financial period, are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business.
7. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under clause (d) of sub - section (1) of Section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
8. 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.3,29,843/- on account of service tax and Rs. 3,53,44,583/- on account of without payment of duty under SEZ Act which are pending with Service Tax and Central Excise Appellate Tribunal, Bangalore from the day they became payable.

9. The Company has not accepted any deposits from the public covered under Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
10. The Company has accumulated losses at the end of the financial year of Rs.65,75,72,500/- and it has incurred cash losses in the current year of Rs.6,96,71,449/- and there is also cash losses in the immediately preceding financial year of Rs.56,02,35,375/-. The Company has become a Potentially Sick Industrial Company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and according to the information and explanation given to us, the Board of Directors of the Company have referred the matter to BIFR pursuant to the provisions of Section 23(1) of SICA, 1985.
11. Based on our audit procedures and according to the information and explanation given by the management, we are of the opinion that the Company has defaulted in repayment of dues to Bank and the Bank has declared the company as Non Performing Assets (NPA) since 31st December, 2011.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities/investments.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the Para 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. The Company is not dealing in or trading in Shares, securities, debentures or mutual funds and other investments. Accordingly, the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 and Companies (Auditor's Report) (Amendment) Order 2004 are not applicable to the Company.
15. The Company has given gurantee for loans taken by one of its associate company Bhoruka Fabcons Private Limited from bank or financial institution.
16. The Company has not obtained any term loan during the six months financial period under audit.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet and the Cash Flow Statement of the Company, for the six months financial period ended March 31, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and as per the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
22. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **R.S. Agarwala & Co.,**
Firm Reg No-00049S
Chartered Accountants

M. Gandhi
Partner

Membership No. 22958

Place: Mysore
Date: 25th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31 st March 2013 (6 months) Rs.	As at 30 th September 2012 (18 months) Rs.
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	01	549,421,420	549,421,420
Reserves & Surplus	02	(369,291,354)	(282,243,953)
		<u>180,130,066</u>	<u>267,177,467</u>
Non Current Liabilities			
Long Term Borrowings	03	62,828,195	64,328,195
Deferred Tax Liabilities		-	-
Long Term Provisions	04	37,890,195	30,883,350
		<u>100,718,390</u>	<u>95,211,545</u>
Current Liabilities			
Short Term Borrowings	05	697,458,321	698,091,918
Trade Payables		198,986,664	225,325,936
Other Current Liabilities	06	341,689,042	276,335,602
Short Term Provisions	07	3,636,011	1,966,490
		<u>1,241,770,038</u>	<u>1,201,719,946</u>
TOTAL		<u>1,522,618,494</u>	<u>1,564,108,958</u>
ASSETS			
Non Current Assets:			
Fixed Assets:			
	08		
Tangible Assets		497,724,077	513,232,744
Intangible Assets		1,337,560	2,054,739
Capital Work-in-Progress		-	-
		<u>499,061,637</u>	<u>515,287,483</u>
Non Current Investments	09	433,535,491	433,436,491
Long Term Loans and Advances	10	283,644,026	283,332,906
Current Assets:			
Inventories	11	221,121,030	249,436,188
Trade Receivables	12	23,845,841	19,414,327
Cash and Bank Balances	13	4,563,722	3,669,037
Other Current Assets	14	56,846,747	59,532,526
		<u>306,377,340</u>	<u>332,052,078</u>
TOTAL		<u>1,522,618,494</u>	<u>1,564,108,958</u>

The Notes form an integral part of these financial statements

1-22

In terms of our report of even date For and on behalf of the Board

for **R.S. AGARWALA & CO.,**
Firm Reg No-00049S
Chartered Accountants

Dr. B.L. Amla
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi

Partner.

Membership No: 22958

Mysore, 25th May, 2013

STATEMENT OF PROFIT AND LOSS FOR 6 MONTHS PERIOD ENDED 31ST MARCH, 2013

	Notes	6 months ended 31 st March 2013 Rs.	18 months ended 30 th September 2012 Rs.
REVENUE			
Revenue from Operations	15	261,318,292	1,583,895,502
Less:- Excise Duty		24,967,178	130,512,831
Revenue from Operations (Net)		236,351,114	1,453,382,671
Other Income	16	8,173,138	5,128,803
TOTAL REVENUE		244,524,252	1,458,511,474
EXPENSES			
Cost of Materials Consumed		161,917,451	833,169,562
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	17	24,032,461	153,367,496
Employee Benefits Expenses	18	55,300,788	167,624,547
Finance costs	19	6,913,606	166,497,364
Depreciation & Amortisation Expense		17,375,953	60,426,824
Other Expenses	20	66,031,395	399,929,121
TOTAL EXPENSES		331,571,654	1,781,014,914
(Loss) / Profit before Exceptional Items and Tax		(87,047,402)	(322,503,440)
Exceptional items	21	-	298,158,759
(Loss) / Profit before Tax		(87,047,402)	(620,662,199)
Tax Expense			
- Taxes for earlier years		-	1,205,629
- Deferred tax for earlier years		-	(14,543,739)
(Loss) / Profit for the Period		(87,047,402)	(607,324,089)
Earnings per Share			
Basic		(1.58)	(11.05)
Diluted		(1.58)	(11.05)
The Notes form an integral part of these financial statements	1-22		

In terms of our report of even date For and on behalf of the Board

for **R.S. AGARWALA & CO.,**
Firm Reg No-00049S
Chartered Accountants

Dr. B.L. Amla
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

M. Gandhi
Partner.

Membership No: 22958
Mysore, 25th May, 2013

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
1. SHARE CAPITAL		
AUTHORISED		
5,60,00,000 (5,60,00,000 in Previous Year) Equity shares of Rs.10/- each	560,000,000	560,000,000
ISSUED, SUBSCRIBED AND PAID UP		
5,49,42,142 (5,49,42,142 in Previous Year) Equity shares of Rs. 10/- each fully paid up	549,421,420	549,421,420

Particulars	31 st March 2013		30 th September 2012	
	No. of Shares	Rupees	No. of Shares	Rupees
Of the Above, Shares allotted as fully paid up without payment being received in cash:-				
(i) On 27 th January 2011 as per scheme of amalgamation of erstwhile Bhoruka Agro Greens Ltd duly approved by Hon'ble High Court of Karnataka	5,903,333	59,033,330	5,903,333	59,033,330
(ii) On 18 th October 2011 as bonus shares by capitalization of Securities Premium Account.	27,471,071	274,710,710	27,471,071	274,710,710

The Company has only one Class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of the Number of Shares Outstanding:

Particulars	31 st March 2013		30 th September 2012	
	No. of Shares	Rupees	No. of Shares	Rupees
Shares at the beginning of the year	54,942,142	549,421,420	26,184,071	261,840,710
Allotted on Conversion of Warrants	-	-	1,287,000	12,870,000
Allotted on Amalgamation, on Preferential basis and in lieu of GDR	-	-	-	-
Allotted as Bonus Shares	-	-	27,471,071	274,710,710
Shares at the end of the year	54,942,142	549,421,420	54,942,142	549,421,420

NOTES TO THE FINANCIAL STATEMENTS

Details of shareholders holding more than 5% shares

Name of the Shareholder	31 st March 2013		30 th September 2012	
	No. of Shares held	% of Holdings	No. of Shares held	% of Holdings
Raj Kumar Aggarwal	36,58,282	6.66	36,58,282	6.66
Rockstrong Investments Pvt Ltd	28,06,666	5.11	28,06,666	5.11

2. RESERVES AND SURPLUS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
Amalgamation Reserve	75,720,251	75,720,251
Less: Expenses on Amalgamation	-	-
	75,720,251	75,720,251
Capital Reserve		
As per Last Balance Sheet	57,500	57,500
Securities Premium Account		
As per Last Balance Sheet	211,003,395	440,794,054
Additions during the Year	-	44,920,051
Less: Expenses on Issue of Shares	-	-
Utilised for issue of bonus shares	-	274,710,710
	211,003,395	211,003,395
Central Subsidy		
As per Last Balance Sheet	1,500,000	1,500,000
General Reserve		
As per Last Balance Sheet	-	20,000,000
Less:- Transfer to Surplus as per Statement of Profit & Loss	-	(20,000,000)
	-	-
Surplus as per Statement of Profit & Loss		
As per Last Balance Sheet	(570,525,098)	16,798,991
Add: Transferred from General Reserve	-	20,000,000
(Loss)/Profit of the period	(87,047,402)	(607,324,089)
	(657,572,500)	(570,525,098)
	(369,291,354)	(282,243,953)

NOTES TO THE FINANCIAL STATEMENTS**3. LONG TERM BORROWINGS**

Particulars	Non Current		Current Maturities	
	31 st March, 2013	30 th Sept., 2012	31 st March, 2013	30 th Sept., 2012
	Rupees	Rupees	Rupees	Rupees
Secured				
Term Loans				
From Banks	-	-	223,949,927	223,949,927
Other Loans				
From Banks	55,195	55,195	318,997	731,678
Unsecured				
Other Loans	62,773,000	64,273,000	-	-
	62,828,195	64,328,195	224,268,924	224,681,605

Other Information Pertaining to Nature of security

Particulars of Nature of Security	Security to the extent	
	31 st March 2013 Rs.	30 th September 2012 Rs.
1. Hypothecation of Stocks, receivables, dies & other assets including incentives, duty draw back & other current assets.	92,14,08,248	92,20,41,845
2. Pledge of 51,250 equity shares of TCI Industries Limited and 75,500 shares of TCI Finance Ltd		
3. Flats at Bangalore and Mumbai, immoveable property at Mysore.		
4. EM of Flat No. 1001, 1002, 10 th Floor, Western Portion of Mittal Tower, MG Road, Bangalore.		
5. Land and Building situated at, Hebbal Industrial Area, Mysore.		
6. Extn of EM of factory land and building.		
Details of other Unsecured Loans		
Karnataka State Development Loan	923,000	923,000
From Related Parties	41,119,008	41,873,356
Other Loans & Advances	24,741,018	24,201,018
	66,783,026	66,997,374
4. LONG TERM PROVISIONS		
For Employee Benefits	37,890,195	30,883,350
	37,890,195	30,883,350

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
5. SHORT TERM BORROWINGS		
Secured		
Loans Repayable on Demand from Banks		
Working Capital Loans From Bank	697,458,321	698,091,918
(Treated as Non Performing Assets by Bank since 31 st December,2011 and continuing default in repayment of loan and interest)		
(Including foreign currency loan (FCNR) of Rs Nil (Previous year Rs. 11,34,39,608))		
Secured by way of 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 Executive Director.		
	<hr/> 697,458,321	<hr/> 698,091,918
6. OTHER CURRENT LIABILITIES		
Current Maturities of Long - Term Debt		
Secured		
Term Loans		
From Banks	223,949,927	223,949,927
(Treated as Non Performing Assets by Bank since 31 st December,2011 and continuing default in repayment of loan and interest)		
Secured by way of 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 Executive Director.		
Others Loans		
From Banks	318,997	731,678
Secured by hypothecation of Vehicles acquired under hire purchase agreements		
Unsecured		
Other Loans	1,000,000	1,000,000
Advances from Customers	95,423,493	32,324,658
Trade / Security Deposits	9,250,677	8,313,118
Interest Accrued and Due on other Borrowings	3,010,026	1,724,374
Statutory Remittances	1,201,842	1,205,118
Others	7,534,080	7,086,729
	<hr/> 341,689,042	<hr/> 276,335,602
7. SHORT TERM PROVISIONS		
For Employee Benefit	3,636,011	1,966,490
	<hr/> 3,636,011	<hr/> 1,966,490

8. FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Carrying Value				
	As at 01.10.2012	Additions	Disposals	Balance as at 31.03.2013	Op. Balance	Dep. for the period 01.10.2012 to 31.03.2013	Reversal of Impairment LOSS for the period 01.10.2012 to 31.03.2013	Balance as at 31.03.2013	As at 31.03.2013	As at 30.09.2012	As at 31.03.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets											
Land	7,047,838	1,334,580	-	8,382,418	-	-	-	-	8,382,418	7,047,838	7,047,838
Buildings	223,307,853	-	-	223,307,853	44,382,061	3,719,026	-	48,101,087	175,206,766	178,925,792	190,532,567
Plant & Machinery	408,518,270	-	-	408,518,270	138,253,354	9,605,708	-	147,859,062	260,659,208	270,264,916	354,521,948
Electrical Installations	40,439,341	-	-	40,439,341	14,438,538	1,251,015	-	15,689,553	24,749,788	26,000,803	30,117,910
Office Equipments	5,252,289	-	-	5,252,289	3,758,373	269,903	-	4,028,276	1,224,013	1,493,916	3,860,006
Computers	4,593,785	-	113,000	4,480,785	2,391,501	371,109	54,801	2,707,809	1,772,976	2,202,284	3,131,665
Furniture & Fixtures	6,755,728	-	-	6,755,728	1,725,363	209,360	-	1,934,723	4,821,005	5,030,365	6,147,922
Vehicles	15,146,772	-	429,666	14,717,106	7,994,541	655,072	303,395	8,346,218	6,370,888	7,152,231	10,823,517
Agricultural Assets	22,881,377	-	-	22,881,377	7,766,781	577,581	-	8,344,362	14,537,015	15,114,596	16,853,689
TOTAL	733,943,253	1,334,580	542,666	734,735,167	220,710,512	16,658,774	358,196	237,011,090	497,724,077	513,232,743	623,037,062
Intangible Assets											
Computer Software	8,872,901	-	-	8,872,901	6,818,162	717,179	-	7,535,341	1,337,560	2,054,739	4,214,154
GRAND TOTAL	742,816,154	1,334,580	542,666	743,608,068	227,528,674	17,375,953	358,196	244,546,431	499,061,637	515,287,482	627,251,215
Previous Year 2012 (18 Months)	815,187,852	5,073,075	77,444,773	742,816,154	187,936,637	60,426,824	20,834,787	227,528,674	-	568,466,804	627,251,215
Capital Work-in-Progress											
TOTAL											

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
9. NON CURRENT INVESTMENTS (at cost)		
Non -Traded		
Quoted		
Fully paid-up Equity Shares of Joint Stock Companies (Pledged with the Bank against credit facilities)		
51,250 shares of TCI Industries Ltd of Rs. 10 each	8,712,500	8,712,500
75,500 shares of TCI Finance Ltd of Rs. 10 each	2,240,000	2,240,000
Market Value of quoted Investments Rs. 496,85,900 (Previous year 427 lacs)		
Unquoted		
Government Securities		
National Savings Certificates / Indira Vikas Patras (Deposited with Sales Tax and Excise Departments)	11,300	11,300
In Subsidiary		
997 Shares of Bhoruka Aluminium FZE (equivalent to UAE Dirham 34,895,000)	422,472,691	422,472,691
9900 (99%) Equity Shares of Rs10 each of Bhoruka Facades Pvt. Ltd	99,000	-
	433,535,491	433,436,491
10. LONG TERM LOANS AND ADVANCES		
Unsecured		
Security Deposits	8,767,870	8,742,870
Deposit with Landlords	915,000	1,245,000
Loans and Advances to Related Parties	2,772,040	2,722,040
Loans and Advances to Subsidiary	41,024,282	40,458,162
Loans and Advances to Associates	157,270,000	157,270,000
Loans and Advances to Others	72,894,834	72,894,834
	283,644,026	283,332,906
11. INVENTORIES		
(As taken valued and certified by the management)		
AT LOWER OF COST AND NET REALISABLE VALUE		
Finished goods	8,366,421	9,095,227
Raw materials	5,187,475	3,757,504
Work in progress	9,456,818	32,760,473
Stores, spares & consumables (At cost)	198,110,316	203,822,984
Coffee Stock	-	-
	221,121,030	249,436,188

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
12. TRADE RECEIVABLES		
Outstanding more than six month from the due date		
Unsecured, Considered Good	5,464,291	7,260,106
Unsecured, Considered Doubtful	4,409,681	-
Outstanding less than six month from the due date		
Unsecured, Considered Good	13,971,869	12,154,221
	<u>23,845,841</u>	<u>19,414,327</u>
13. CASH AND BANK BALANCES		
Cash in hand	4,500,510	1,312,495
Balances with banks		
- In Current accounts	(583,888)	1,709,442
- In Deposit accounts*	647,100	647,100
*Deposited with bank against Guarantee issued and as Margin Money		
	<u>4,563,722</u>	<u>3,669,037</u>
14. OTHER CURRENT ASSETS		
Unsecured		
Trade Advances - Considered Good	5,232,221	11,625,875
Advance to Staff	249,771	198,339
Other Deposits	24,000	516,405
Advance Payment of Taxes	967,158	874,833
Excise Duty	2,362,155	1,450,459
VAT Input Tax	47,917,688	44,827,102
Interest Receivable	93,754	39,514
	<u>56,846,747</u>	<u>59,532,526</u>
15. REVENUE FROM OPERATIONS		
Sale of Extrusions	260,356,269	1,575,294,122
Sale of Agricultural Products	704,580	4,072,821
Job Work Charges	257,443	4,528,559
Revenue from Operations (Gross)	<u>261,318,292</u>	<u>1,583,895,502</u>
Less:- Excise Duty	24,967,178	130,512,831
Revenue from Operations (Net)	<u>236,351,114</u>	<u>1,453,382,671</u>
16. OTHER INCOME		
Interest Income	60,268	3,553,822
Rent	534,000	714,300
Debit and Credit balance no longer required-written Back (Net)	7,578,870	-
Miscellaneous	-	860,681
	<u>8,173,138</u>	<u>5,128,803</u>

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
17. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Finished goods	9,095,227	62,767,161
Goods at bonded warehouse		
Work in progress	32,760,473	131,681,969
Coffee Stock	-	774,066
	41,855,700	195,223,196
Less : Closing Stock		
Finished goods	8,366,421	9,095,227
Coffee Stock	-	-
Work in progress	9,456,818	32,760,473
	17,823,239	41,855,700
	24,032,461	153,367,496
18. EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	50,535,762	149,705,193
Contribution to Provident and other funds	1,941,735	6,743,752
Workmen and staff welfare expenses	2,823,291	11,175,602
	55,300,788	167,624,547
19. FINANCE COSTS		
Interest	6,658,213	147,151,457
Other Borrowing Cost	255,393	19,345,907
	6,913,606	166,497,364
20. OTHER EXPENSES		
Consumption of stores, spares & consumables	16,248,391	120,223,729
Power and fuel	25,794,721	128,251,869
Job Work Charges - Expenses	3,588,154	10,995,592
Others	343,655	1,522,879
Repairs and maintenance to buildings	50,116	234,730
Repairs and maintenance to machineries	759,964	3,189,337
Freight outward	1,652,979	-
Packing charges	3,285,957	20,875,126
Vat and Octroi	173,656	1,862,731
Sales Promotion & Advertisement	119,336	10,823,416
Discount & commission	4,304,945	8,303,847
Rent	193,430	5,542,840
Rates and taxes	161,200	3,664,030
Repairs & Maintenance - Others	446,173	4,073,236
Telephone charges	442,440	3,215,499
Printing and stationery	450,807	822,343
Insurance	18,369	1,811,572
Legal and consultancy charges	842,821	5,390,794
Travelling & conveyance	2,424,454	9,906,609
Directors Fees	190,000	570,000

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
20. OTHER EXPENSES (Contd...)		
Auditors Remuneration		
- Audit Fees	60,000	60,000
- Tax Audit Fess	15,000	15,000
Bad Debts, Irrecoverable balances written off	-	21,809,858
Miscellaneous expenses	1,159,422	4,006,785
Donations	7,000	150,201
Loss on discard/ sale of Assets	2,649	30,958,981
Exchange Rate Difference	25,761	1,648,117
Prior Period Expenses	3,269,995	-
	66,031,395	399,929,121
21. EXCEPTIONAL ITEMS		
Includes		
(i) In previous year, correction of errors in the earlier years in valuation of inventories Rs 1,328.77 lacs.		
(ii) In previous year, Write off of old outstanding receivables / payables found on reconciliation to be not actually realisable Rs 1,652.82 lacs.		
	-	298,158,759

22. NOTES TO THE FINANCIAL STATEMENTS

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 realizable 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 asset 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.

In the absence of virtual certainty about the availability of future taxable income Deferred Tax Asset has not been recognized as on 31st March, 2013 in terms of Accounting Standard 22.

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	31st March, 2013	30th Sept., 2012
Estimated amount of contracts remaining to be executed on capital account	Nil	Nil
Bills discounted with Banks	Nil	Nil
Bank Guarantees outstanding	9.63	9.63
R O R	Nil	194.43
Service tax under dispute	3.30	11.43
Excise Duty under SEZ clearance	353.44	353.44

3. (a) State Bank of India, the lender Bank, has treated all outstanding dues from the company, as NPA and has issued notices under Securitizations And Reconstruction of Financial Asset and Enforcement of Security Interest Act, 2002 to which the Company has replied.
- (b) These accounts have been prepared on a going concern basis. However, the going concern concept will hold good depending upon the receipt of required support from its bankers, promoters and others. Necessary adjustments may have to be made in the value of assets and liabilities, in case the going concern concept is vitiated.
- (i) No provision has been made in these accounts for interest of Rs 893.65 lacs on outstanding dues to State Bank of India. No confirmation of the outstanding dues as on 31st March, 2013 (6 months) from State Bank of India has been received.
- (ii) No provision has been made for interest on unsecured loan to the extent of Rs. 2.00 lacs (6 months) in view of severe financial constraint.
- (iii) The outstanding receivables and payables and loans and advances given and taken have been considered in these accounts at values as stated in the books of accounts and the reconciliation is under process. Necessary adjustments are being carried out in the books on completion of reconciliation.

4. DIRECTORS' REMUNERATION:

(Rupees)

Particulars	31 st March, 2013	30 th Sept., 2012
Managing Director		
Salary & Allowances	1,200,000	3,600,000
Money value of Perquisites	179,717	484,670
Contribution to Provident & Other Funds	90,000	270,000
Executive Director		
Salary & Allowances	1,200,000	3,600,000
Money value of Perquisites	2,285	68,754
Contribution to Provident & other Funds	144,000	432,000
Wholetime Director		
Salary & Allowances	276,000	828,000
Money value of Perquisites	50,605	121,374
Contribution to Provident & Other Funds	14,400	43,200

4A. During the financial period under review (6months), the amount paid/payable to the Managing Director and Executive Director amounting to Rs. 28,16,002/- was approved by ROC on 28.04.2013 based on Shareholders' approval at the Annual General Meeting held on 25.02.2013. However, the auditors are having a view that the payment to Managing Director and Executive Director are to be approved by the Central Government.

5. In terms of Accounting Standard (AS-11) "changes in Foreign Exchange Rates" on transaction of monetary items at the year end exchange rate, there is notional exchange gain / (loss) of Rs. 25,761/- which has been accounted in the Profit and Loss Account.

6. 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
13. Bhoruka Aluminium FZE
14. Bhoruka Facades Private Limited

7. 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 Aggarwal

Executive Director

Related Party	Nature of Relationship	Transactions (Rupees)		
		Nature of the Transaction	Amount in Rs.	Outstanding as on 31 st March, 2013
Bhoruka Fabcons Pvt.Ltd.	Associate	Sales & Service Purchase & Service	1,98,97,442 12,47,636	(1,51,00,305)
Maverick Infotec Pvt. Ltd.	Associate	Loan	50,000	27,72,040
Urmila Agarwal	Associate	Rent	4,50,000	2,39,000
Rockstrong Investments Private Limited	Associate	Loan	-	8,93,10,000
Sunbright Investments Private Limited	Associate	Loan	-	6,79,60,000
Bhoruka Aluminium FZE	Wholly owned subsidiary	Loan	5,66,120	4,10,24,282

8. EARNINGS PER SHARE:

Particulars	31 st March, 2013	30 th Sept., 2012
No. of equity shares outstanding (Nos in lakh)	549.421	549.421
Net profit/(loss) after tax available for equity shareholders (Rs. In lakh)	(870.47)	(6073.24)
Basic earning per share of Rs.10 each	(1.58)	(11.05)
Diluted earning per share of Rs.10 each	(1.58)	(11.05)

9. AUDITORS' REMUNERATION:

(In Rupees)

Particulars	31 st March, 2013	30 th Sept., 2012
Audit fees	60,000	60,000
Tax Audit fees	15,000	15,000

10. 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.
11. Adequate provisions as required by Accounting Standard 15 employees benefits has been made and no further liability on this account is envisaged.

12. HIRE PURCHASE:

Motor vehicles purchased on non-cancellable hire purchase basis:

(In Rupees)

Particulars	31 st March, 2013	30 th Sept., 2012
Hire purchase expenditure included in Profit and Loss account	37,717	4,31,471
Total minimum installments for fixed and non-cancellable term as year ended	3,74,192	7,86,873
Not later than one year	3,18,997	7,31,678
More than one year less than five years	55,195	55,195

13. During the financial period under review, a new temporary subsidiary Company, namely, Bhoruka Facades Private Limited was incorporated on 11th February, 2013. The Company holds 9900 Equity Shares (99% holding) in the said subsidiary company. As per AS 21 issued by the Institute of Chartered Accountants of India (ICAI), a subsidiary company should be excluded from consolidation when the “control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future”. Further Bhoruka Facades Private Limited will be closing its books of accounts in the next financial year, therefore, the Company has not incorporated the same in its Consolidated Financial Statements and is also not attaching subsidiary company’s balance sheet with the balance sheet of the Company as required under Section 212 of the Companies Act, 1956.
14. Previous year’s Figures have been regrouped/restated wherever necessary to conform to Current period’s classification. However, current period being of six months, to that extent, previous year’s figures are not comparable.

In terms of our report of even date

for **R.S. AGARWALA & CO.,**
Firm Reg No-00049S
Chartered Accountants

M. Gandhi

Partner.

Membership No: 22958

Mysore, 25th May, 2013

For and on behalf of the Board

Dr. B.L. Amla
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2013

(Rs. in lakh)

Particulars	6 months ended 31 st March, 2013	18 months ended 30 th September, 2012
A. Cash flow from Operating activities		
Net profit/(loss) before Tax and Exceptional Item as per Statement of Profit & Loss	(870.47)	(6,206.62)
Adjustment for		
Depreciation & Amortisation Expense	173.76	604.27
Loss on Sale/discard of Fixed Assets	0.03	309.59
Finance Cost	69.14	1,664.97
Interest Income	(0.60)	(35.54)
Operating profit before working capital changes	(628.14)	(3,663.33)
Changes In Working Capital		
Adjustments for Increase/Decrease in operating Assets:		
Inventories	283.15	1,940.27
Trade and other receivables	(44.32)	820.60
Long Term Loans and Advances	(3.11)	(869.99)
Other Current Assets	26.86	(76.95)
	262.58	1,813.93
Adjustments for Increase/Decrease in operating Liabilities:		
Trade payables	(263.39)	(2,452.45)
Other Non Current and Current Liabilities	740.30	2,239.47
Tax paid	-	(12.06)
	476.91	(225.04)
Net Cash Generated from/(used in) operating Activities	111.35	(2,074.44)
B. Cash flow from Investment Activities		
Capital Expenditure on Fixed Assets	(13.35)	(45.05)
Proceeds from sale of Fixed assets	1.82	256.51
Investment in subsidiary	(0.99)	(3,113.43)
Net cash used in Investing activities	(12.52)	(2,901.97)
C. Cash flow from Financing Activities		
Proceeds from issue of Share Capital	-	577.90
Share Warrants	-	(252.21)
Receipts/Repayment of Long Term Borrowings (Secured)	-	(2,361.68)
Receipts/Repayment of Unsecured Loans	(15.00)	(183.50)
Receipts/Repayment of Short Term Secured Loans	(6.34)	4,936.80
Interest on Borrowings	(68.54)	(1,629.43)
Net cash from financing activities	(89.88)	1,087.88
Net increase in cash and cash equivalents (A+B+C)	8.95	(3,888.53)
Opening balance of cash & cash equivalents	36.69	3,925.22
Closing balance of cash & cash equivalents	45.64	36.69

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.,**
Firm Reg No-00049S
Chartered Accountants**Dr. B.L. Amla**
Chairman**R.K. Aggarwal**
Managing Director**Rajat Agarwal**
Executive Director**M. Gandhi**

Partner.

Membership No: 22958

Mysore, 25th May, 2013

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

01	Name of the Subsidiary	Bhoruka Aluminium FZE Hamriyah Free Zone Authority Sharjah U.A.E.	
02	Financial year of the Subsidiary ended on	31st March, 2013 (6 months period)	30th September, 2012 (18 months period)
03	Shares held in Subsidiary Company	997	997
04	Number of Equity shares of face value of AED 35000 each held by Bhoruka Aluminium Limited	997 (Equivalent to Rs. 422,472,691)	997(Equivalent to Rs.422,472,691)
05	Extent of Holding (%)	100%	100%
06	Net aggregate amount of profit/(loss) of the Subsidiary so far as they concern members of the Company		
	1. Dealt within the accounts of the Company for the year ended 31 st March, 2013	AED (336,800) [Equivalent to (Rs.3,813,212)]	AED(7,791,549 [Equivalent to Rs.(94,332,045)]
	2. Not dealt within the accounts of the Company for the year ended 31 st March, 2013	-	-
07	Net aggregate amount of profit/(loss) of the Subsidiary for the previous years so far as they concern members of the Company		
	1. Dealt within the accounts of the Company upto the period ended 31 st March, 2013		
	2. Not dealt within the accounts of the Company upto the period ended 31 st March, 2013		
08	Changes in the holding company's interest in the subsidiary between the end of the financial year of the Subsidiary and the end of the holding company's financial period ended 31 st March, 2013		

STATEMENT OF SUBSIDIARY COMPANY UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956

Name of Subsidiary : Bhoruka Aluminium FZE
 Date of Incorporation : 29th November, 2010
 Regd. Address : ELOB Office No: E-32G-33
 Hamriyah Free Zone – Sharjah
 UAE
 Director : Mr. Ajay Kumar Dalmia
 Auditors : NUF Chartered Accountants LLC
 UAE

Financial Data

	For the Financial Period Ended 31 st March, 2013 (6 months)		For the Financial Period Ended 30 th Sept., 2012 (18 months)	
	AED	INR	AED	INR
Share Capital	34,895,000	422,472,691	34,895,000	422,472,691
Reserves	-	-	-	-
Total Assets	29,830,532	361,157,335	30,130,532	364,789,423
Total Equity & Liabilities	29,830,532	361,157,335	30,130,532	364,789,423
Investments	-	-	-	-
Turnover	-	-	43,248,911	523,613,233
Profit/(Loss) Before Taxation	(336,800)	(3,813,212)	(7,791,549)	(94,332,045)
Provision for Taxation	-	-	-	-
Profit/(Loss) after Taxation	(336,800)	(3,813,212)	(7,791,549)	(94,332,045)

- Notes: 1. Above figures in INR has been calculated at 1 AED = 3.28, 15.38 and 12.11 at the relevant point of time for the financial period ended 31st March, 2013 (6 months).
2. General Exemption has been granted (vide Circular No. 2/2011) by the Ministry of Corporate Affairs, Government of India, from attaching the Directors' Report, Balance Sheet and Profit and Loss Account of Subsidiary Company, hence they have not been attached with the Annual Report of the Company. The Company will make available these documents and the related details upon request by any investor of the Company.



**CONSOLIDATED
FINANCIAL STATEMENTS
FOR 6 MONTHS ENDED 31ST MARCH, 2013**

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Report to the Board of Directors of Bhoruka Aluminium Limited

1. We have audited the attached consolidated balance sheet of Bhoruka Aluminium Limited (the "Company") and its subsidiary ; hereinafter referred to as the "Group" (refer Note 1 to the attached consolidated financial statements) as at 31st March, 2013 (6 months) and also consolidated statement of Profit and Loss Account for the period ended October 2012 to March 2013 for 6 months and the consolidated Cash Flow Statement ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We did not audit the financial statements of (i) Subsidiary, a controlled entity and included in the consolidated financial statements, which constitute total assets of Rs.36,11,57,335/- and net assets of Rs.36,03,78,433/- as at 31st March, 2013, total revenue of Rs.Nil and total expenditure of Rs. 38,13,212/-, net loss of Rs. 38,13,212/- and net cash flows amounting to Rs. Nil for the year ended October 2012 to March 2013 (6 months). These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been

derived from such financial statements is based solely on the report of such other auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21.
7. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to paragraph 5 above, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013 (6 months);
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the Loss of the Group for the period October 2012 to March 2013 (6 months); and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for 6 months period ended on that date.

For **R.S. Agarwala & Co.,**
Firm Reg No-00049S
Chartered Accountants

M. Gandhi
Partner

Membership No. 22958

Place: Mysore

Date: 25th May, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31 st March 2013 (6 months) Rs.	As at 30 th September 2012 (18 months) Rs.
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	01	549,421,420	549,421,420
Reserves & Surplus	02	(472,409,894)	(381,549,281)
		<u>77,011,526</u>	<u>167,872,139</u>
Non current Liabilities			
Long term borrowings	03	62,828,195	64,328,195
Deferred tax liability		-	-
Long term provisions	04	37,890,195	30,883,350
		<u>100,718,390</u>	<u>95,211,545</u>
Current Liabilities			
Short term borrowings	05	697,458,321	698,091,918
Trade payables		198,986,664	225,325,934
Other current liabilities	06	342,467,944	277,499,505
Short term provisions	07	3,636,011	1,966,490
		<u>1,242,548,940</u>	<u>1,202,883,847</u>
TOTAL		<u>1,420,278,856</u>	<u>1,465,967,531</u>
ASSETS			
Non Current Assets:			
Fixed Assets:			
	08		
Tangible Assets		497,724,077	513,232,744
Intangible Assets		1,337,560	2,054,739
Capital Work-in-Progress		-	-
		<u>499,061,637</u>	<u>515,287,483</u>
Non Current Investments	09	11,062,800	10,963,800
Long Term Loans and Advances	10	242,619,744	242,874,744
Current Assets:			
Inventories	11	221,121,030	249,436,188
Trade Receivables	12	385,003,176	384,203,753
Cash and Bank Balances	13	4,563,722	3,669,037
Other Current Assets	14	56,846,747	59,532,526
		<u>667,534,675</u>	<u>696,841,504</u>
TOTAL		<u>1,420,278,856</u>	<u>1,465,967,531</u>

The Notes form an integral part of these financial statements

1-22

In terms of our report of even date

for **R.S. AGARWALA & CO.,**
Firm Reg No-00049S
Chartered Accountants

M. Gandhi

Partner.

Membership No: 22958

Mysore, 25th May, 2013

For and on behalf of the Board

Dr. B.L. Amla
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR 6 MONTHS PERIOD ENDED 31ST MARCH, 2013

	Notes	6 months ended 31 st March 2013 Rs.	18 months ended 30 th September 2012 Rs.
REVENUE			
Revenue from Operations	15	261,318,292	2,107,508,735
Less: Excise Duty		24,967,178	130,512,831
Revenue from Operations (Net)		236,351,114	1,976,995,904
Other Income	16	8,173,138	5,128,803
TOTAL REVENUE		244,524,252	1,982,124,707
EXPENSES			
Cost of materials consumed		161,917,451	833,169,562
Purchase of Stock-in-trade (Foreign)		-	616,296,066
Changes in inventories of finished goods, Work-in-progress and Stock-in-trade	17	24,032,461	153,367,496
Employee benefits Expenses	18	55,300,788	167,624,547
Finance costs	19	6,913,606	166,563,480
Depreciation & Amortisation expenses		17,375,953	60,426,824
Other Expenses	20	69,844,607	401,512,211
TOTAL EXPENSES		335,384,866	2,398,960,186
(Loss) / Profit before Exceptional Items and Tax		(90,860,614)	(416,835,479)
Exceptional items	21	-	298,158,759
(Loss)/ Profit before Tax		(90,860,614)	(714,994,238)
Tax Expense			
- Taxes for earlier years		-	1,205,629
- Deferred tax for earlier years		-	(14,543,739)
(Loss) / Profit for the Period		(90,860,614)	(701,656,128)
Earnings per Share			
Basic		(1.65)	(11.05)
Diluted		(1.65)	(11.05)
The Notes form an integral part of these financial statements	1-22		

In terms of our report of even date

for **R.S. AGARWALA & CO.**,
Firm Reg No-00049S
Chartered Accountants

M. Gandhi

Partner.

Membership No: 22958

Mysore, 25th May, 2013

For and on behalf of the Board

Dr. B.L. Amla
Chairman

R.K. Aggarwal
Managing Director

Rajat Agarwal
Executive Director

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
1. SHARE CAPITAL		
AUTHORISED		
5,60,00,000 (5,60,00,000 in Previous Year)		
Equity shares of Rs.10/- each	560,000,000	560,000,000
ISSUED, SUBSCRIBED AND PAID UP		
5,49,42,142 (5,49,42,142 in Previous Year)		
Equity shares of Rs. 10/- each fully paid up	549,421,420	549,421,420

Particulars	31 st March 2013		30 th September 2012	
	No. of Shares	Rupees	No. of Shares	Rupees
Of the Above, Shares allotted as fully paid up without payment being received in cash:-				
(i) On 27 th January 2011 as per scheme of amalgamation of erstwhile Bhoruka Agro Greens Ltd duly approved by Hon'ble High Court of Karnataka	5,903,333	59,033,330	5,903,333	59,033,330
(ii) On 18 th October 2011 as bonus shares by capitalization of Securities Premium Account.	27,471,071	274,710,710	27,471,071	274,710,710

The Company has only one Class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of the Number of Shares Outstanding:

Particulars	31 st March 2013		30 th September 2012	
	No. of Shares	Rupees	No. of Shares	Rupees
Shares at the beginning of the year	54,942,142	549,421,420	26,184,071	261,840,710
Allotted on Conversion of Warrants	-	-	1,287,000	12,870,000
Allotted on Amalgamation, on Preferential basis and in lieu of GDR	-	-	-	-
Allotted as Bonus Shares	-	-	27,471,071	274,710,710
Shares at the end of the year	54,942,142	549,421,420	54,942,142	549,421,420

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Details of shareholders holding more than 5% shares

Name of the Shareholder	31 st March 2013		30 th September 2012	
	No. of Shares held	% of Holdings	No. of Shares held	% of Holdings
Raj Kumar Aggarwal	36,58,282	6.66	36,58,282	6.66
Rockstrong Investments Pvt Ltd	28,06,666	5.11	28,06,666	5.11

2. RESERVES AND SURPLUS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
Amalgamation Reserve	75,720,251	75,720,251
Less: Expenses on Amalgamation	-	-
	75,720,251	75,720,251
Capital Reserve		
As per Last Balance Sheet	57,500	57,500
Securities Premium Account		
As per Last Balance Sheet	211,003,395	440,794,054
Additions during the Year	-	44,920,051
Less: Expenses on Issue of Shares	-	-
Utilised for issue of bonus shares	-	274,710,710
	211,003,395	211,003,395
Central Subsidy		
As per Last Balance Sheet	1,500,000	1,500,000
General Reserve		
As per Last Balance Sheet	-	20,000,000
Less:- Transfer to Surplus as per Statement of Profit & Loss	-	(20,000,000)
	-	-
Surplus as per Statement of Profit & Loss		
As per Last Balance Sheet	(669,830,426)	11,825,702
Add: Transferred from General Reserve	-	20,000,000
(Loss)/Profit of the period	(90,860,614)	(701,656,128)
	(760,691,040)	(669,830,426)
	(472,409,894)	(381,549,281)

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**3. LONG TERM BORROWINGS**

Particulars	Non Current		Current Maturities	
	31st March 2013	30 th Sept., 2012	31st March 2013	30 th Sept., 2012
	Rupees	Rupees	Rupees	Rupees
Secured				
Term Loans				
From Banks	-	-	223,949,927	223,949,927
Other Loans				
From Banks	55,195	55,195	318,997	731,678
Unsecured				
Other Loans	62,773,000	64,273,000	-	-
	62,828,195	64,328,195	224,268,924	224,681,605

Other Information Pertaining to Nature of security

Particulars of Nature of Security	Security to the extent	
	31 st March 2013 Rs.	30 th September 2012 Rs.
1. Hypothecation of Stocks, receivables, dies & other assets including incentives, duty draw back & other current assets.	92,14,08,248	92,20,41,845
2. Pledge of 51,250 equity shares of TCI Industries Limited and 75,500 shares of TCI Finance Ltd		
3. Flats at Bangalore and Mumbai, immoveable property at Mysore.		
4. EM of Flat No. 1001, 1002, 10 th Floor, Western Portion of Mittal Tower, MG Road, Bangalore.		
5. Land and Building situated at, Hebbal Industrial Area, Mysore.		
6. Extn of EM of factory land and building.		
Details of other Unsecured Loans		
Karnataka State Development Loan	923,000	923,000
From Related Parties	41,119,008	41,873,356
Other Loans & Advances	24,741,018	24,201,018
	66,783,026	66,997,374
4. LONG TERM PROVISIONS		
For Employee Benefits	37,890,195	30,883,350
	37,890,195	30,883,350

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
5. SHORT TERM BORROWINGS		
Secured		
Loans Repayable on Demand from Banks		
Working Capital Loans From Bank	697,458,321	698,091,918
(Treated as Non Performing Assets by Bank since 31 st December, 2011 and continuing default in repayment of loan and interest)		
(Including foreign currency loan (FCNR) of Rs Nil (Previous year Rs. 11,34,39,608))		
Secured by way of 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 Executive Director.		
	<hr/> 697,458,321	<hr/> 698,091,918
6. OTHER CURRENT LIABILITIES		
Current Maturities of Long - Term Debt		
Secured		
Term Loans		
From Banks	223,949,927	223,949,927
(Treated as Non Performing Assets by Bank since 31 st December, 2011 and continuing default in repayment of loan and interest)		
Secured by way of 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 Executive Director.		
Others Loans		
From Banks	318,997	731,678
Secured by hypothecation of Vehicles acquired under hire purchase agreements		
Unsecured		
Other Loans	1,000,000	1,000,000
Advances from Customers	95,423,493	32,324,658
Trade / Security Deposits	9,250,677	8,313,118
Interest Accrued and Due on other Borrowings	3,010,026	1,724,374
Statutory Remittances	1,201,842	1,205,118
Others	8,312,982	8,250,632
	<hr/> 342,467,944	<hr/> 277,499,505
7. SHORT TERM PROVISIONS		
Bonus payable	3,636,011	1,966,490
	<hr/> 3,636,011	<hr/> 1,966,490

8. FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Carrying Value				
	As at 01.10.2012	Additions	Disposals	Balance as at 31.03.2013	Op. Balance	Dep. for the period 01.10.2012 to 31.03.2013	Reversal of Impairment LOSS for the period 01.10.2012 to 31.03.2013	Balance as at 31.03.2013	As at 31.03.2013	As at 30.09.2012	As at 31.03.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets											
Land	7,047,838	1,334,580	-	8,382,418	-	-	-	-	8,382,418	7,047,838	7,047,838
Buildings	223,307,853	-	-	223,307,853	44,382,061	3,719,026	-	48,101,087	175,206,766	178,925,792	190,532,567
Plant & Machinery	408,518,270	-	-	408,518,270	138,253,354	9,605,708	-	147,859,062	260,659,208	270,264,916	354,521,948
Electrical Installations	40,439,341	-	-	40,439,341	14,438,538	1,251,015	-	15,689,553	24,749,788	26,000,803	30,117,910
Office Equipments	5,252,289	-	-	5,252,289	3,758,373	269,903	-	4,028,276	1,24,013	1,493,916	3,860,006
Computers	4,593,785	-	113,000	4,480,785	2,391,501	371,109	54,801	2,707,809	1,72,976	2,202,284	3,131,665
Furniture & Fixtures	6,755,728	-	-	6,755,728	1,725,363	209,360	-	1,934,723	4,821,005	5,030,365	6,147,922
Vehicles	15,146,772	-	429,666	14,717,106	7,994,541	655,072	303,395	8,346,218	6,370,888	7,152,231	10,823,517
Agricultural Assets	22,881,371	-	-	22,881,371	7,766,781	577,581	-	8,344,362	14,537,015	15,114,596	16,853,689
TOTAL	733,943,253	1,334,580	542,666	734,735,167	220,710,512	16,668,714	358,196	237,011,090	497,724,077	513,232,743	623,037,062
Intangible Assets											
Computer Software	8,872,901	-	-	8,872,901	6,818,162	717,179	-	7,595,341	1,337,560	2,054,739	4,214,154
GRAND TOTAL	742,816,154	1,334,580	542,666	743,608,068	227,528,674	17,375,953	358,196	244,546,431	499,061,637	515,287,482	627,251,215
Previous Year 2012 (18 Months)	815,187,852	5,073,075	77,444,773	742,816,154	187,936,637	60,426,824	20,834,787	227,528,674	-	568,466,804	627,251,215
Capital Work-in-Progress											
TOTAL											

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
9. NON CURRENT INVESTMENTS (at cost)		
Non -Traded		
Quoted		
Fully paid-up Equity Shares of Joint Stock Companies (Pledged with the Bank against credit facilities)		
51,250 shares of TCI Industries Ltd of Rs. 10 each	8,712,500	8,712,500
75,500 shares of TCI Finance Ltd of Rs. 10 each	2,240,000	2,240,000
Market Value of quoted Investments Rs. 496,85,900 (Previous year 427 lacs)		
Unquoted		
Government Securities		
National Savings Certificates / Indira Vikas Patras (Deposited with Sales Tax and Excise Departments)	11,300	11,300
In Subsidiary		
9900 (99%) Equity Shares of Rs. 10 Bhoruka Facades Private Limited	99,000	-
	11,062,800	10,963,800
10. LONG TERM LOANS AND ADVANCES		
Unsecured		
Security Deposits	8,767,870	8,742,870
Deposit with Landlords	915,000	1,245,000
Loan and Advances to Related Parties	2,772,040	2,722,040
Loan and Advances to Subsidiary	-	-
Loans and Advances to Associates	157,270,000	157,270,000
Loans and Advances to Others	72,894,834	72,894,834
	242,619,744	242,874,744
11. INVENTORIES		
(As taken valued and certified by the management)		
AT LOWER OF COST AND NET REALISABLE VALUE		
Finished goods	8,366,421	9,095,227
Raw materials	5,187,475	3,757,504
Work in progress	9,456,818	32,760,473
Stores, spares & consumables (At cost)	198,110,316	203,822,984
	221,121,030	249,436,188
12. TRADE RECEIVABLES		
Outstanding more than six month from the due date		
Unsecured, Considered Good	5,464,291	7,260,106
Unsecured, Considered Doubtful	4,409,681	-
Outstanding less than six month from the due date		
Unsecured, Considered Good	375,129,204	376,943,647
	385,003,176	384,203,753

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
13. CASH AND BANK BALANCES		
Cash in hand	4,500,510	1,312,495
Balances with banks		
- In Current accounts	(583,888)	1,709,442
- In Deposit accounts*	647,100	647,100
*Deposited with bank against Guarantee issued and as Margin Money		
	4,563,722	3,669,037
14. OTHER CURRENT ASSETS		
Unsecured		
Trade Advances - Considered Good	5,232,221	11,625,875
Advance to Staff	249,771	198,339
Other Deposits	24,000	516,405
Advance Payment of Taxes	967,158	874,833
Excise Duty	2,362,155	1,450,459
VAT Input Tax	47,917,688	44,827,102
Interest Receivable	93,754	39,514
	56,846,747	59,532,526
15. REVENUE FROM OPERATIONS		
Sale of Extrusions	260,356,269	1,575,294,122
Sale of Agricultural Products	704,580	4,072,821
Job Work Charges	257,443	4,528,559
Stock-in-trade (Foreign)	-	523,613,233
Revenue from Operations (Gross)	261,318,292	2,107,508,735
Less:- Excise Duty	24,967,178	130,512,831
Revenue from Operations (Net)	236,351,114	1,976,995,904
16. OTHER INCOME		
Interest Income	60,268	3,553,822
Rent	534,000	714,300
Debit and Credit balance no longer required-written Back (Net)	7,578,870	-
Miscellaneous	-	860,681
	8,173,138	5,128,803

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
17. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Stock :		
Finished goods	9,095,227	62,767,161
Goods at bonded warehouse		
Work in progress	32,760,473	131,681,969
Coffee Stock	-	774,066
	41,855,700	195,223,196
Less : Closing Stock		
Finished goods	8,366,421	9,095,227
Coffee Stock	-	-
Work in progress	9,456,818	32,760,473
	17,823,239	41,855,700
	24,032,461	153,367,496
18. EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	50,535,762	149,705,193
Contribution to Provident and other funds	1,941,735	6,743,752
Workmen and staff welfare expenses	2,823,291	11,175,602
	55,300,788	167,624,547
19. FINANCE COSTS		
Interest	6,658,213	147,151,457
Other Borrowing Cost	255,393	19,412,023
	6,913,606	166,563,480
20. OTHER EXPENSES		
Consumption of stores, spares & consumables	16,248,391	120,223,729
Power and fuel	25,794,721	128,251,869
Job Work Charges - Expenses	3,588,154	10,995,592
Others	343,655	1,522,879
Repairs and maintenance to buildings	50,116	234,730
Repairs and maintenance to machineries	759,964	3,189,337
Freight outward	1,652,979	-
Packing charges	3,285,957	20,875,126
Vat and Octroi	173,656	1,862,731
Sales Promotion & Advertisement	119,336	10,823,416
Discount & commission	4,304,945	8,723,039
Rent	193,430	5,542,840
Rates and taxes	161,200	3,664,030
Repairs & Maintenance - Others	446,173	4,073,236
Telephone charges	442,440	3,215,499
Printing and stationery	450,807	822,343
Insurance	18,369	1,811,572
Legal and consultancy charges	919,739	6,062,731
Travelling & conveyance	2,424,454	9,906,609
Directors Fees	190,000	570,000

NOTES TO THE FINANCIAL STATEMENTS

Particulars	31 st March 2013 Rs.	30 th September 2012 Rs.
20. OTHER EXPENSES (Contd...)		
Auditors Remuneration		
- Audit Fees	60,000	60,000
- Tax Audit Fess	15,000	15,000
Provision Bad Debts, Irrecoverable balances	3,632,091	21,809,858
Miscellaneous expenses	1,159,422	4,498,752
Donations	7,000	150,201
Loss on discard/ sale of Assets	2,649	30,958,981
Exchange Rate Difference	129,964	1,648,111
Prior Period Expenses	3,269,995	-
	69,844,607	401,512,211
21. EXCEPTIONAL ITEMS		
Includes		
(i) In previous year, correction of errors in the earlier years in valuation of inventories Rs 1,328.77 lacs.		
(ii) In previous year, Write off of old outstanding receivables / payables found on reconciliation to be not actually realisable Rs 1,652.82 lacs.		
	-	298,158,759

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2013 (Rs. in lakh)

Particulars	6 months ended 31 st March 2013	18 months ended 30 th September 2012
A. Cash flow from Operating activities		
Net profit/(loss) before Tax and Exceptional Item as per Statement of Profit & Loss	(908.61)	(7,149.94)
Adjustment for		
Depreciation & Amortisation Expense	173.76	604.27
Loss on Sale/discard of Fixed Assets	0.03	309.59
Finance Cost	69.14	1,665.63
Interest Income	(0.60)	(35.54)
Operating profit before working capital changes	(666.28)	(4,605.99)
Changes In Working Capital		
Adjustments for Increase/Decrease in operating Assets:		
Inventories	283.15	1,940.27
Trade and other receivables	(7.99)	(2,827.29)
Long Term Loans and Advances	2.55	(465.41)
Other Current Assets	26.86	(76.95)
	304.57	(1,429.38)
Adjustments for Increase/Decrease in operating Liabilities:		
Trade payables	(263.39)	(2,452.45)
Other Non Current and Current Liabilities	736.45	2,251.11
Tax paid	-	(12.06)
	473.06	(213.40)
Net Cash Generated from/(used in) operating Activities	111.35	(6,248.77)
B. Cash flow from Investment Activities		
Capital Expenditure on Fixed Assets	(13.35)	(45.05)
Proceeds from sale of Fixed assets	1.82	256.51
Investment	(0.99)	1,111.29
Net cash used in Investing activities	(12.52)	1,322.75
C. Cash flow from Financing Activities		
Proceeds from issue of Share Capital	-	528.17
Share Warrants	-	(252.21)
Receipts/Repayment of Long Term Borrowings (Secured)	-	(2,361.68)
Receipts/Repayment of Unsecured Loans	(15.00)	(183.50)
Receipts/Repayment of Short Term Borrowings (Secured)	(6.34)	4,936.80
Interest on Borrowings	(68.54)	(1,630.09)
Net cash from financing activities	(89.88)	1,037.49
Net increase in cash and cash equivalents (A+B+C)	8.95	(3,888.53)
Opening balance of cash & cash equivalents	36.69	3,925.22
Closing balance of cash & cash equivalents	45.64	36.69

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

In terms of our report of even date

for **R.S. AGARWALA & CO.**,
 Firm Reg No-00049S
 Chartered Accountants

M. Gandhi

Partner.
 Membership No: 22958
 Mysore, 25th May, 2013

For and on behalf of the Board

Dr. B.L. Amla
 Chairman

R.K. Aggarwal
 Managing Director

Rajat Agarwal
 Executive Director

Bhoruka Aluminium Limited

Registered Office:
427E, 2nd Floor, Hebbal Industrial Area, Mysore - 570 016

ADDENDUM

Date: 22nd July, 2013

Dear Shareholders,

Shifting of Registered Office

The Registered Office of the Company has been shifted to the following new address w.e.f. Monday, 22nd July, 2013:

Old Registered Office Address	New Registered Office Address
# No. 1 K.R.S Road, Metagalli, Mysore -570 016	# No.427E, 2 nd Floor Hebbal Industrial Area, Mysore -570 016

You are requested to kindly make note of the new address and address all the communications of the Company including depositing of Proxy Form at the above new registered office address.

For Bhoruka Aluminium Limited

R.K.Aggarwal
Managing Director

Note: Subsequent to the approval of annual accounts for the financial period ended 31st March, 2013 (6 months) on 25th May, 2013, the Registered Office of the Company has been shifted to new premises indicated above hence the old Registered Office address is appearing in Notice etc.



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 attend
and vote for me/us on my/our behalf at the **33rd Annual General Meeting of the Company** to be held at the
Hotel Royal Inn at No. 435, K.R.S. Road, Metagalli, Mysore-570 016 at **10:00 a.m.** on **Monday, the 30th**
September, 2013 or at any adjournment thereof.

Signed this _____ day of _____ 2013.

Affix
Revenue
Stamp One
Rupee

Signature of the Shareholder

Note: The Proxy Form must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.



Bhoruka Aluminium Limited

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

ATTENDANCE SLIP

33RD ANNUAL GENERAL MEETING

(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/ We, certify that I / We , am a Member / Proxy for the Member of the Company, I hereby record my presence at the **33rd Annual General Meeting** of the Company being held at **Hotel Royal Inn** at No.435, K.R.S. Road, Metagalli, Mysore-570 016, at **10:00 a.m.** on **Monday, the 30th September, 2013.**

Name and Address of the Shareholder _____

Signature of the Shareholder / Proxy _____

BOOK POST



BHORUKA
THE ALUMINIUM ARCADE

Registered Office

BHORUKA ALUMINIUM LIMITED

427E, 2nd Floor, Hebbal Industrial Area,

Mysore - 570 016

email : info@bhorukaaluminium.com

www.bhorukaaluminium.com

BHORUKA ALUMINIUM LIMITED

FORM B

1	Name of the Company	Bhoruka Aluminium Limited
2	Annual Financial Statements for the year ended	31 st March, 2013 (6 months)
3	Type of Audit observations	Qualified
4	Frequency of qualification	Observations of Auditors are repetitive of previous financial year ended 30 th September,2012 (18 months)
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Please refer Sl.No. 6(i) and (ii) Independent Auditors' Report (Page 28 and 29) and Sl.Nos. 3 (a) and (b), 10 and 11 (Page 30 and 31) of Annexure to the Report. The Management's reply to Auditors observation is furnished in Directors' Report in Sl.No.14 (Page 8) of Annual Report 2012-13 (6 months)



R.K. Aggarwal
Managing Director



Dr. B.L. Amla
Director & Chairman Audit Committee

For R.S. Agarwala & Co.,
Firm Reg.No. 00049S
Chartered Accountants



M. Gandhi
Partner

Membership No. 22958



Registered Office : No. 427E, 2nd Floor, Hebbal Industrial Area, Mysore 570016, Karnataka, India
Phone: +91-821-2510351/2415290, Fax : +91-821-2415291, E-mail: info@bhorukaaluminium.com,

Website: www.bhorukaaluminium.com