

## **HILLOCK AGRO FOODS (INDIA) LIMITED**

### **Board of Directors**

Mr. Pradip J Vyas	Managing Director
Mr. Harshad J Vyas	Jt.Managing Director
Mr. Dinesh M Raval	Independent Director
Mr. Rameshpuri S. Goswami	Independent Director

### **Auditors**

#### **DJNV & CO., CHARTERED ACCOUNTANT**

58, Wwhite Hhouse, Panchvati,  
Eellisbridge,  
Ahmedabad - 380006

### **Registered Office**

9 Shiv Sankalp Society, Nr. Navarangpura Post Office, Navarangpura, Ahmedabad-  
380 006

## NOTICE

Notice is hereby given that the Annual General Meeting of the members of Hillock Agro Foods (India) Limited will be held on Monday, 29<sup>th</sup> September, 2010, at 10:30 a.m. at the Registered Office of the Company situated at 9 Shiv Sankalp Socnr Naranpura Post Office, Naranpura, Ahmedabad - 380006 to transact the following business:

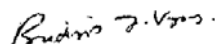
### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2010, balance sheet as on that date, Director's Report and the Auditor's report thereon.
2. To appoint Director, in place of Mr. Dineshkumar M. Raval, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors of the Company from the Conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

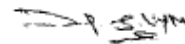
**By order of the Board of Directors of  
Hillock Agro Foods (India) Limited**

Place : Ahmedabad

Date : 20/07/2010



DIRECTOR



DIRECTOR

Registered Office:  
9, Shiv Shankalp Society,  
Nr. Natanpura Post Office,  
Naranpura, Ahmedabad - 380 013.

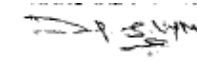
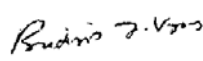
### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of him self and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. The Register of the members and the share transfer book of the Company will remain closed from 20<sup>th</sup> September, 2010 to 28<sup>th</sup> September, 2010 (both days inclusive)

Date: 20/07/2010  
Place: Ahmedabad

**By order of the Board of Directors**  
**For, HILLOCK AGRO FOODS (I) LIMITED,**



**(PRADIP VYAS)(HARSHAD VYAS)**

Managing Director Jt. Managing Director

## **DIRECTORS' REPORT**

**To,  
The Members  
Hillock Agro Foods (India) Limited**

The Directors' present the Annual report on the business and operations of your Company for the year 2009-2010.

### **FINANCIAL RESULTS AND OPERATIONAL REVIEW:**

Particulars	Year Ended 31.03.2010 (Rs.)	Year Ended 31.03.2009 (Rs.)
Gross Sales/Income	34,46,382	56,83,631
Less Depreciation	6,57,680	10,72,624
Profit/(Loss) before Tax	(2,22,293)	7,43,709
Taxes/Deferred Taxes	Nil	Nil
Profit/(Loss) After Taxes	(2,22,293)	7,43,709
Profit/ (Loss) carried to Balance Sheet	(2,22,293)	7,43,709

### **DIVIDEND:**

In view of losses, your Directors do not recommend any dividend during the year.

### **OPERATIONS**

The Company is continuing its efforts for the revival of the business. In spite of very difficult financial position of the Company, all efforts are being made to continue operations of the Company. However, Company continued with contractual work and has achieved total turnover of Rs.34.46 lacs during the year under Report as compared to Rs. 56.83 lacs. However, your Company has incurred loss of Rs. 2.22 lacs as compared to Rs. 7.43 lacs during the year under Report

### **DIRECTORS:**

Mr. Dineshkumar M. Raval, Director of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Members are requested to reappoint Mr Dineshkumar Raval as Director.

### **DEPOSITS:**

The Company has not accepted any deposit from the public during the year.

### **DIRECTORS'RESPONSIBILITY STATEMENT:**

As required u/s 217(2AA) of the Companies Act, 1956 your Director confirms that in the preparation of the annual accounts:

- (a) The applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, so as to give a true

and fair view of the state of affairs of the company at the end of the financial Year and the profit/loss of the company for that period.

- (c) Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The annual accounts have been prepared on a going concern basis.

**PARTICULARS OF EMPLOYEES:**

There is no employee having remuneration falling within the provisions of section 217(2A) of the companies Act 1956 read with the Companies (Particulars of Employee) Rules, 1975 as amended, hence details are not required to be given.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:**

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption is annexed herewith as Annexure-A. However, the production technology is indigenously developed and the Company is carrying out its contractual Activities with its trained and Experienced staff. There is no separate R & D activity carried out during the year.

Further, during the period under review, following were earning and expenditure in Foreign Currency:

**AUDITORS:**

**M/S. DNJV & CO.,** Chartered Accountants, Ahmedabad, the retiring auditors being eligible offer themselves for re-appointment. Members are requested to appoint them as auditors of the company.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing agreement, forms part of this Report and the same is annexed hereto.

**REPORT ON CORPORATE GOVERNANCE:**

A separate Report on Corporate Governance along with Certificate from Auditors on its compliance as annexed hereto.

**SEGMENT:**

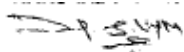
Your Company is engaged in a single segment only.

**ACKNOWLEDGEMENT:**

The management is grateful to the government authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

Date: 20/07/2010  
Place: Ahmedabad

By order of the Board of Directors  
For, HILLOCK AGRO FOODS (I) LIMITED,

*Pradip Vyas* 

(PRADIP VYAS) (HARSHAD VYAS)  
Managing Director Jt. Managing Director

**Report on Corporate Governance**  
**(Pursuant to Clause 49 of the Listing Agreement)**

**1. Company's philosophy:**

Corporate Governance is an integral part of value, ethics and best business practices followed by the Company. The core values of the Company are commitment to excellence and customer satisfaction, maximizing long-term value for stakeholders, socially valued enterprise and caring for people and environment.

Hillock Agro Foods (India) Limited is committed to good Corporate Governance in order to all stakeholders – Customers, suppliers, lenders, employees, the shareholders. The detailed report on implementation by the company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges, is set out below :

**2. Board of Directors:**

**2.1 Composition of the Board:**

The Board of Directors as at 31<sup>st</sup> March, 2010 comprises of four directors comprises of a (Chairperson and Managing Director), one Joint Managing Director and two is Executive. Mr. Pradip Vyas is the Chairman and Managing Director of the Company and he conducts the day to day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are senior, competent and highly respected persons from their receptive fields:

**2.2 Responsibilities of the Board**

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

**2.3 Meeting and Attendance Record of Directors**

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company, Ahmedabad. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the Financial year 2009-2010, Seven Board meetings were held on 25/04/2009, 23/06/2009, 25/07/2009, 24/08/2009, 05/09/2009, 26/10/2009, 11/11/2009, 25/01/2010, 02/02/2010 and 23/03/2010.

The composition, attendance and other memberships of the Board of Directors of the company is as follows: c. Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of the Director	Designation	Category	No. of Board meetings attended	Attendance at last AGM	Total No. of Directorships in public Companies	Total No. of Committee membership	Total no. of Board Chairmanship
Pradip J. Vyas	Managing Director	Executive	10	Yes	0	0	0
Harshad J. vyas	Managing Director	Executive	10	Yes	0	0	0
Dineshkumar M. Raval	Director	Non-Executive	10	Yes	0	0	0
Rameshpuri S. Goswami	Director	Non-Executive	10	Yes	0	0	0

#### **2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting**

As per the provisions of the Companies Act, 1956, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Dineshkumar M. Raval, retire by rotation at the ensuing Annual General Meeting and offer him for re-appointment.

#### **Profile of Mr. Dineshkumar M. Raval, Director being appointed u/s 269 of the Companies Act, 1956**

Name	Mr. Dineshkumar M. Raval
Date of Birth	23/04/1971
Date of Appointment	31/03/2007
No. of shares held in the company	NIL
Directorship in other company	NIL

#### **2.5 Details of Directors who are as Chairman and Directors in other Public Companies**

None of the Directors on the Board is a member or Chairman of any Committees (as specified in Clause 49 (C) (ii) across all the Companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been



made by the Directors who are on the Board of the Company as on 31<sup>st</sup> March, 2010 and the same is reproduced herein below:

Sr. No.	Name of Director	No of Directorship in other Public Companies	No. of Committees positions held as Chairman on other public Companies	No. of Committee s positions held as member in other public Company
1.	Pradip J. Vyas	--	--	--
2.	Harshad J. vyas	--	--	--
3.	Dineshkumar M. Raval	--	--	--
4.	Rameshpuri S. Goswami	--	--	--

### 3. COMMITTEE OF BOARD:

The Company had four Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Sub-Committee (Quarterly Results Review Committee)
4. Share Transfer & Shareholders/Investor Grievance Committee

Moving with various committees formed and reported in the previous Annual Report and in line with the requirements of SEBI and Stock Exchanges, the Board has formally constituted the following committees of Directors.

#### 3.1 Audit Committee:

The Board of Directors of the Company at their meeting held 5 times constituted the Audit Committee. Audit Committee comprise of Shri Rameshpuri S. Goswami, Shri Dineshkumar M. Rawal, and Shri Pradeep J. Vyas, being the Director of the Company. Shri Rameshpuri S. Goswami who has financial and accounting knowledge has been appointed as Chairman of the Audit Committee. The role and terms of reference stipulated by the Board of the Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors.

The Audit Committee of the Board of Directors of the Company, Inter-aila, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

- Review the financial reporting process and disclosure of its financial information
- Review with the management, Annual financial statements before submission to the Board
- Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
- Review the company's accounting and risk management policies
- Review the company's accounting and management reporting systems and updates the same from time to time.
- Recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
- Review quarterly financial statement
- Review internal investigations made statutory/ Internal Auditors.
- Scope of Statutory/ Internal Audit.
- Review fixed deposits/repayment systems etc.
- Any other applicable functions as described in Corporate Governance.
- Review related party transactions.

### 3.2 Remuneration Committee

The Board of Directors of the Company at their meeting held on 31st March 2010 constituted the Remuneration Committee comprising of two Non Executive Directors Viz. Shri Rameshpuri S Goswami and Shri Dineshkumar M Raval.

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole time Directors, based on performance and defined criteria. At present the terms of remuneration Executive Directors are already approved by the shareholders at the General Meeting.

The Committee has been asked to look into revision of remuneration payable to Executive Directors in line with the industry levels.

Name	Designation	Gross Remuneration(Rs.)
Pradip J. Vyas	Director	1,71,000
Harshad J. Vyas	Director	1,71,000

Name of Directors	No of Meetings
Shri Rameshpuri S Goswami	5
Shri Dineshkumar M Raval	5

The terms and reference of the Audit Committee covers the matters specified as per clause 49 of the Listing Agreement besides other terms as may be referred from time to time by the Board of Directors. The Audit Committee met 3 times during the year.

### 3.3 Sub-Committee (Quarterly Results Review Committee):

The Sub-Committee (Quarterly Results Review Committee) comprises as under:

Name	Designation
Mr. Pradip Vyas	Director