

HILLOCK AGRO FOODS (INDIA) LIMITED

BOARD OF DIRECTORS :

- | | | |
|----|---------------------------|-----------------------|
| 1. | Mr. Pradip J Vyas | Managing Director |
| 2. | Mr. Harshad J Vyas | Jt. Managing Director |
| 3. | Mr. Dinesh M Raval | Independent Director |
| 4. | Mr. Rameshpuri S. Goswami | Independent Director |

STATUTORY AUDITORS

DJNV & CO., CHARTERED ACCOUNTANT

58, White House, Panchvati,
Ellisbridge,
Ahmedabad - 380006

SECRETARIAL AUDITORS

M/s *MJP* Associates
Practising Company Secretaries
Rajkot.

REGISTERED OFFICE:-

9 Shiv Sankalp Society,
Nr. Navarangpura Post Office,
Navarangpura,
Ahmedabad-380 013, Gujarat.

HILLOCK AGRO FOODS (INDIA) LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the members of Hillock Agro Foods (India) Limited will be held on Thursday, 29th September, 2011, at 10 : 30 a.m. at the Registered Office of the Company situated at 9 Shiv Sankalp Soc. Nr. Naranpura Post Office, Naranpura, Ahmedabad - 380 013 to transact the following business :

Ordinary Business :

1. To receive, consider and adopt Audited Balance Sheet as on 31st March 2011 and Profit & Loss Account for the year ended on that day along with the Directors' and Auditors Report thereon.
2. To appoint Director in place of Mr. Rameshpuri Shivpuri Goswami, who is liable to retire by rotation and being eligible, offers himself for reappointment.

Special Business :


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

"**RESOLVED THAT** in accordance with provision of Section 224, read with all applicable provisions, if any, of the Companies Act, 1956, M/s. Maharishi & Co. Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting"

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to fix remuneration of statutory auditors and to do all other things, deeds, acts as may be required in this connection"

Place : Ahmedabad
Date : 03.09.2011

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



(Pradip J Vyas)
Managing Director

NOTES:

1. All the members entitled to attend and vote at Meeting are entitled to appoint a proxy to attend and vote at the Meeting on his/her behalf and the proxy need not be a member of the Company. The proxy to be valid must reach at the Registered Office at least 48 hours before 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.

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5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. The Register of the members and the share transfer book of the Company will remain closed from 22nd September, 2011 to 28th September, 2011 (both days inclusive)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 3

Members are aware that M/s. DJNV & CO., Chartered Accountants, and Statutory auditors of the Company, have shown their unwillingness to be reappointed as such due to other professional commitments. Hence, the Board of Directors of the Company is recommending the appointment of M/s. Maharishi & Co. Chartered Accountants, as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting to the next Annual General Meeting.

Hence, members are requested to pass the resolution as an Ordinary Resolution and appoint statutory auditor.

None of the directors are interested except in the capacity of the members.

Date : 03.09.2011

Place : Ahmedabad



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

(Signature of Pradip Vyas)
(Pradip Vyas)
Managing Director

(Signature of Harshad Vyas)
(Harshad Vyas)
Jt. Managing Director

HILLOCK AGRO FOODS (INDIA) LIMITED

Details of Directors seeking appointment/reappointment at the Annual General Meeting

Name	Mr. Rameshpuri Shivpuri Goswami
Date of Birth	01.08.1955
Date of Appointment	31/03/2003
No. of shares held in the company	Nil
Directorship in other company	Nil

HILLOCK AGRO FOODS (INDIA) LIMITED

REPORT OF BOARD OF DIRECTORS

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 2010-2011.

FINANCIAL RESULTS AND OPERATIONAL REVIEW :

(Rupees in lacs)			
SR	PARTICULARS	2010-11	2009-10
1.	Total Turnover / Sales / Gross Receipt	0.00	33,97,790.00
2.	Other Income	1,89,312.00	48,592.00
3.	Profit Before Interest, Deprecation and Tax (PBIDT)	61,908.00	(54,54,151.00)
4.	Interest and Financial Charges	839.00	5,374.00
5.	Depreciation	16,448.00	6,57,680.00
6.	Provision of Taxation	0.00	0.00
7.	Profit After Interest, Deprecation and Tax (PAT)	44,621.00	(61,17,205.00)

Performance Highlights

The Company is enduring for revitalization of the business position of the Company all efforts are being made to continue operations of the Company. The Company continued has recorded other income of Rs. 1,89,312.00 during the year under Report.

The Company is striving to bring the business in the profits and in the coming years it is envisaged that the performance of the Company will be very good.

Dividend

With a view of accumulated losses of past years, and in order to conserve resources for operational purposes, the Board of Directors of your Company do not recommend any dividend for the year.

Board's Responsibility Statement

In pursuance of Section 217(2AA) of the Companies Act, 1956, the Directors confirm:

- That in the preparation of annual accounts, the applicable accounting standards have been followed :
- That They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the accounting year and of the profit and loss account for that year;

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- c) That they 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 frauds and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

Particulars of Employees

There are no employees in the Company drawing remuneration more than Rs. 5 Lacs per month or 60 Lacs per annum, the limits specified in the Companies (Particulars of Employees) Rules, 1975 as amended by the Companies (Particulars of Employees) (Amendment) Rules, 2011 dated 31st March, 2011.

Directors

Mr. Rameshpuri Shvipuri Goswami, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

A brief Resume of Rameshpuri Shvipuri Goswami is attached with Notice of the AGM.

Corporate Governance

Your Company has adopted Corporate Governance Practices. The Company believes that the Corporate Governance is all about effective management of relationship among constituents of the system, i.e. shareholders, management, employees, customers, vendors, regulatory and the society at large. The Company has strong belief that this relationship can only be built and strengthen through corporate fairness, transparency, and accountability. A detailed report on Corporate Governance is attached to this Report. The Securities and Exchange Board of India (SEBI) has made efforts to strengthen the Clause 49 of the Listing Agreement. Accordingly, a separate Report on Corporate Governance as well as the Certificate from M/s. DJNV & Co., Chartered Accountants, and the statutory Auditors of the Company are annexed to this Report of Board.

Auditors

M/s. DJNV & CO., Chartered Accountants, and Statutory auditors of the Company, have shown their unwillingness to be reappointed as such due to other professional commitments. Thereafter, the Board of Directors have approached M/s Maharishi & Co., Chartered Accountants, for their appointment as Statutory Auditors for the financial year 2011-2012.

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Therefore, the Board recommends the appointment of M/s Maharishi & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the Company.

Secretarial Audit

As directed by the Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by M/s. D A RUPAWALA & Associates, Chartered Accountant, Ahmedabad

Observations Of Auditors And Reply Of Board Of Directors

The Auditors observed that the company has complied with the Accounting Standards except AS-22 & AS 15. The Board would like to clarify that the Company is in process of compliance of these accounting standards during the current fiscal. Further, auditors have observed, that the Company has not implemented internal audit system. The Board would like to clarify that the Company has commenced the internal control/ audit system from the current fiscal.

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

As the Company has not carried out any substantial commercial activities during the year 2010-2011, the details related to consumption of energy etc. are not required to be given.

However, the Company is making efforts to conserve energy resources at its Registered office. There is no separate R & D activity carried out during the year.

FOREIGN EXCHANGE EARNINGS AND OUTGO :

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

Acknowledgement

Your directors put on record their whole hearted gratitude to bankers, employees of the Company for their sincere efforts for the Company.

Date : 03.09.2011

Place : Ahmedabad



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

(Pradip Vyas)
Managing Director

(Harshad Vyas)
Jt. Managing Director

HILLOCK AGRO FOODS (INDIA) LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC SCENARIO

During the year under Report, due to worst market condition and lack of capital adequacy, postponement of new projects etc. However company is under process of the recovery and expected to be back on the track of Growth in next one year.

INDUSTRY

The company is passing through taut rivalry phase but is proficient to maintain at this rivalry stage of the market. The present scenario leads to the situation which helps the big industry to grow bigger and bigger and in future it may reflect the closure of many small and medium industries.

SEGMENTS

The Company does not have any segments, and hence, comments are not required.

PERFORMANCE

The performance of the Company is slightly improved as compared to the earlier years. The Company has earned Net Profit after Interest, Tax & Depreciation of Rs. 44,621/- as compared to the net loss Rs. 61,17,205.00/-.

INTERNAL AUDIT SYSTEM

The Company has commenced proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorised use or disposition and all transactions are authorised, recorded and reported correctly.

OUTLOOK FOR 2010-11

The market with present economic condition is prophesied to continue and the Company will surely give new improvement on this part, the company's approach would be to continue to grow by focusing on new market techniques. It will launch new product lines, further strengthen risk management practices; maintain investments in technology and human resources and will frame the strong recovery policy from Debtors to consolidate its position in the Industry.

CAUTIONARY STATEMENTS

All statements made in Management and Discussion Analysis have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be

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different from what the Management envisages in terms of performance and outlook. Market data, industry information etc. contained in this

Report have been based on information gathered from various published and unpublished reports and their accuracy, reliability, and completeness cannot be assured.


Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statutes and other incidental factors, may affect the final results and performance of the Company.

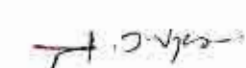
Date : 03.09.2011

Place : Ahmedabad



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


(Pradip Vyas)
Managing Director


(Harshad Vyas)
Jt. Managing Director

HILLOCK AGRO FOODS (INDIA) LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

Your directors present the Company's Report on Corporate Governance.

1. Company's Philosophy on Corporate Governance :

The Company believes in setting the highest standard of good and ethical corporate governance practices to enhance the long-term shareholder value and protect the interest of shareholders, customers and others.

The main objectives of Corporate Governance are:

1. Maximizing long-term shareholder value in a legal and ethical manner.
2. Ensuring fairness, courtesy and dignity in all transactions within and outside the Bank with customers, investors, employees, competitors, government and the general public.
3. Open, transparent and merit-based management.

The Company is committed to following high standards of transparency, accountability and propriety. The Company has formed various committees of the Board of Directors to monitor the various aspects of the business.

2. Board of Directors :

Composition of the Board :-

The Company's Board of Directors comprises of Four Directors inclusive of (Chairperson and Managing Director), One Joint Managing Director and Two are Executive. Mr. Pradip J 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 respective fields :

Meetings :-

Your Company is regularly convening and holding the Board Meetings and all business transacted therein have been duly recorded in the Minutes book maintained for the purpose.

3. Remuneration to Directors :

Looking into the performance of the Company, the Company has not paid any remuneration, including sitting fees to any of its Directors. The Company does not have any Employee Stock Option Scheme at present.