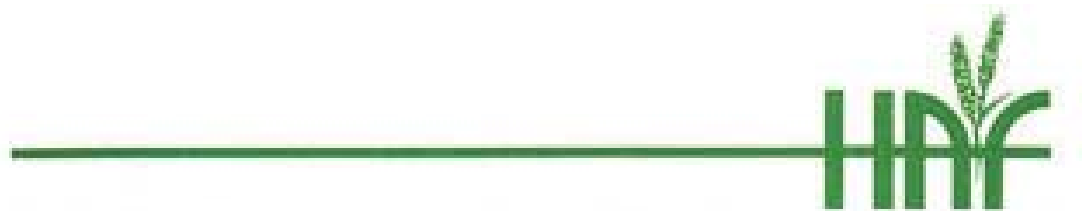
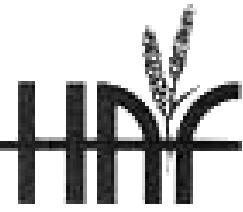


19th 2011 - 2012 **ANNUAL** REPORT



Hillock Agro Foods (India) Ltd.



Hillock Agro Foods (India) Ltd

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

To,
M/s. Maharishi & Co.,
Chartered Accountants,
“Aparna”, Behind Jeevandeep Hospital,
Beside Hotel Bansi,
Indira Gandhi Marg,
Jamnagar

REGISTERED OFFICE

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

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of Hillock Agro Foods (India) Limited will be held on Saturday, 29th September, 2012, 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 2012 and Statement of Profit & Loss for the year ended on that day along with the Directors' and Auditors Report thereon.
2. To appoint Director in place of **Mr. Pradip J Vyas, Managing Director** who is liable to retire by rotation and being eligible, offers himself for reappointment.
3. To appoint Director in place of **Mr. Harshad J Vyas, Jt. Managing Director** who is liable to retire by rotation and being eligible, offers himself for reappointment.
4. To reappoint, the retiring auditors **M/s. Maharishi & Co. Chartered Accountants**, as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

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

Place : Ahmedabad
Date : 30.05.2012

Sd/-
(Pradip J Vyas)
Managing Director

NOTES:

1. A member entitle to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxies to be effective should be deposited at the registered office of the company not later than 48 hours before the 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. In Terms of Section 256 read with provisions of Articles of Association of the Company, Shri Pradip J Vyas and Shri Harshad J Vyas, Managing Directors of the company, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting. The Members are further requested to send all their communication relating to the share registry work to the Share Transfer and Registrar Agent of the Company M/s. Link Intime India Pvt. Ltd. at their office situated at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078

5. 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.
6. 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.
7. The Register of the members and the share transfer book of the Company will remain closed from Friday, 21st September, 2012 to Friday, 28th September, 2012 (both days inclusive)
8. Members are advised to refer to the information provided in the Annual Report.
9. We request members to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email.

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

Director's Name	PRADIP J. VYAS
Date of Birth	24 th December, 1956
Date of Appointment as Director in Company	3 rd August, 1993
Qualification	Diploma Electrical Engineer
Experience in specific functional area	Family owned Business of Floor & Agro Products
Directorship held in other public limited Indian Companies (excluding Directorship in Hillock Agro Foods (India) Limited)	Nil
Membership/Chairmanship of Committees public limited Indian Companies (excluding Membership/Chairmanship of Committees in Hillock Agro Foods (India) Ltd	Nil

Director's Name	HARSHAD J. VYAS
Date of Birth	1 ST August, 1962
Date of Appointment as Director in Company	4 th September, 2002
Qualification	B.Com.
Experience in specific functional area	Family owned Business of Floor & Agro Products
Directorship held in other public limited Indian Companies (excluding Directorship in Hillock Agro Foods (India) Limited)	Nil
Membership/Chairmanship of Committees public limited Indian Companies (excluding Membership/ Chairmanship of Committees in Hillock Agro Foods (India) Ltd	Nil

REPORT OF BOARD OF DIRECTORS

To,
The Members
Hillock Agro Foods (India) Limited

Your Directors are pleased to present the Nineteenth Annual Report together with audited accounts of the Company for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS AND OPERATIONAL REVIEW :

(Amt in ₹)

Sr.	Particular	2011-12	2010-11
1	Total Revenue	11,36,900.00	1,89,312.00
2	Depreciation and Amortization	29,761.00	16,448.00
3	Employee Benefit Expenses	13,000.00	--
4	Profit / (Loss) Before Tax (PBT)	4,97,479.00	44,621.00
5	Taxation: Current Tax	68,378.00	--
6	Profit/(Loss) After Tax (PAT) (Carried forward to Balance Sheet)	4,29,101.00	44,621.00

Performance

The Company is abiding for resurgence of the financial position. Durign the year, the Company had achieved total revenue of Rs. 11,36,900 and net profit of Rs. 4,97,479 during the year under Report. The Company has already taken steps for restructuring and reorganization of business through process of merger / demerger.

Dividend

With a view of accumulated losses of past years, 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;

- 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 subject to Note 16(b) of Notes on Accounts.

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

Shri Pradip J Vyas & Shri Harshad J Vyas, Managing Directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. A brief Resume of Shri Pradip J Vyas & Shri Harshad J Vyas are 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. D Panchamia & Associates, Practising Company Secretaries are annexed to this Report of Board.

Auditors

M/s Maharishi & Co., Chartered Accountants, retiring Auditors of the Company, being eligible for reappointment, offers themselves for reappointment. Members are requested to reappoint them as auditors of the Company to hold office from the conclusion of ensuing General Meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration.

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. Panchamia & Associates, Practising Company Secretaries, and findings of such audit are satisfactory.

MERGER

As the members are aware that the Board of Directors of the Company have approved the scheme of arrangement in form of Merger of the Company with Real Realty Management Company Pvt. Ltd. and reorganization of share capital of Hillock and demerger of food/agro business of Hillock into Deepvandana Tradelink Pvt. Ltd. Further, the company has applied for scheme of demerger and amalgamation on 13th April, 2011 and petition date on 16th May, 2011 w.e.f. 1st July, 2010. Final approval for the scheme is pending with the High Court.

Reply Of Board Of Directors on observations of Auditors

The Auditors have observed that they have not received balance Confirmation of Trade Payables and Trade Receivables, Loans & Advances. The Board would like to clarify that the Company is in process of compliance of confirmation for this Amount during the current fiscal. The 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 audit system from the current fiscal. Further the Auditors have observed that the funds raised on short-term basis have been used for long term investment. The Board would like to clarify that the Company's long term asset as at 31st March, 2012 includes receivable for capital goods and other loans and advances which were due for payment but the company could not realized it in time and hence same have been classified it as non-current asset. Due to this funds of the company were blocked and company could not pay off its current liabilities. However, the company is in process of realization of these debtors. As soon as same will be realized, the company will pay off its current liability and the financial position of the company would become favorable. As regards to non-payment of professional tax and VAT & TDS, the Board would like to clarify that, the Board will make payment of all statutory dues in current fiscal. As regards the accumulated losses, the Board would like to clarify that the Board has already commenced the process of corporate restructuring through amalgamation/demerger to attain financial strength.

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

As the Company has not carried out any substantial commercial activities during the year 2011-2012, the details related to consumption of energy etc. are not required to be given. However, the Company is making efforts to conserve energy resources. 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

Acknowledgment

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

Date : 30.05.2012

Place : Ahmedabad

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

**Sd/-
(Pradip Vyas)
Managing Director**

**Sd/-
(Harshad Vyas)
Jt. Managing Director**

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC SCENARIO

During the year under Report, due to worst market condition and lack of capital adequacy, deferment 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. 4,29,101/- as compared to the Profit of Rs. 44,621/- of previous year.

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 2012-13

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 revive its financial positions through corporate restructuring and new business lines.

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 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 : 30.05.2012

Place : Ahmedabad

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

**Sd/-
(Pradip Vyas)
Managing Director**

**Sd/-
(Harshad Vyas)
Jt. Managing Director**