

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, 29th 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 31st 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

Rudini D. Vas.

[Signature]

DIRECTOR

DIRECTOR

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

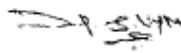
NOTES:

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 20th September, 2010 to 28th 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 

(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 Experience 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.

Harshad 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 31st 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 31st 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

Mr. Harshad Vyas	Director
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The Committee is responsible for approving quarterly un-audited financial statements and monitoring the performance of the Company. 4 (Four) meetings were held on the following dates:

Financial reporting for the quarter ending March 31, 2009	End of April, 2009
Financial reporting for the quarter ending June 30, 2009	End of July, 2009
Financial reporting for the quarter ending September 30, 2009	End of October, 2009
Financial reporting for the quarter ending December 31, 2009	End of January, 2010

3.4 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders'/Investor Grievance committee comprises as under:

1	Mr. Pradip J. Vyas	Chairman
2	Mr. Harshad Vyas	Joint Managing Director

The committee is responsible for approving and monitoring transfers, transmission, splitting and consolidation of shares issued by the Company. In addition to that, the committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet etc., No sitting fees is paid to the committee members. The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on 31st March, 2010) is given below:-

Complaints Status: 01.04.2009 to 31.03.2010

•	Number of complaints received so far	:	Nil
•	Number of complaints solved	:	Nil
•	Number of pending complaints	:	Nil

4. DISCLOSURES:

(a). Materially significant related party transactions:

The same are appropriately disclosed at Note No.6 of the Significant Accounting Policies and notes on accounts- schedules X of the Annual Accounts of the Company.

(b). During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

5. Share Transfer System:

The Company has an in-house share transfer department and has not appointed any Registrar and Transfer Agent. Valid Share transfer in physical form and complete in all respects were approved and registered within the stipulated period.

6. Dematerialization of shares and liquidity:

The Company has not registered itself with any agency for dematerialization of Companies securities so far.

7. Date, Time and venue of Annual General Meeting : 30th September, 2010 at 12.30 p.m..
9 Shiv Sankalp Society, Naranpura Post Office,
Naranpura, Ahmedabad - 380006

8. Book Closure Date : 23rd September, 2010 to 30th September, 2010

9. CEO/CFO Certification:

Mr. Pradip Vyas, Managing Director issued a certificate to the Board as Prescribed under sub-clause V of clause 49 of the listing agreement. The said certificate was placed before the meeting of Board of Directors held on 20/07/2010.

MEANS OF COMMUNICATIONS:

The half Yearly and quarterly results of the Company were not published in any news paper but regularly forwarded to the Mumbai Stock Exchange where the Company's share are listed. The Company has not considered it necessary to circulate half yearly results at the residence of shareholders as there is no significant up and down in the activities of the company having material impact on the shareholders interest.

Further the Company has not made any presentation to any financial institutional Investors/analysts or banks during the year.

Listing of Equity Shares on Stock Exchanges: Mumbai Annual listing fees for the financial Year upto 31-03-2010 has been paid.

g. Stock Code: BSE 530053, ASE: HILOCK Agr.

h. Demat ISIN number: INE055E01018

I. Market price data: The Company has nothing to report as no trade has been reported to take place.

j. Performance of the Company's shares in comparison with broad based indices as BSE's Sensex: The Company has nothing to report on the matter.

k. Registered and Transfer Agent: Sharepro Services (India) Pvt. Ltd., Ahmedabad, the common agency both in respect of demat shares. The Company is having in house share transfer set up for the transfer of shares which are still in physical mode.

l. Share Transfer System: All the transfers are received and processed by the Secretarial Department of the Company and approved by share transfer committee. Share Transfer requests received in physical form The Management discussion and analysis forms part of the Annual Report.

10. Dividend Payment Date : Not Applicable

11. Detail of last three Annual General Meeting:

Meeting	Year	Venue of AGM	Date	Time	Whether Special resolution passed
Annual General Meeting	2007	9 Shiv Sankalp Socnr Naranpura Post Office, Naranpura, Ahmedabad - 380006	29 th September, 2007	10.30 A.M	No
Annual General Meeting	2008	9 Shiv Sankalp Socnr Naranpura Post Office, Naranpura, Ahmedabad - 380006	30 th September, 2008	10.30 A.M.	Yes
Annual General Meeting	2009	9 Shiv Sankalp Socnr Naranpura Post Office, Naranpura, Ahmedabad - 380006	30 th September, 2009	10.30 A.M.	No

Details for Special Resolution had passed in last AGM:

2008:

- (1) To reappoint Mr. Pradip Vyas as Managing Director of the Company for a period of 5 years w.e.f. 01/08/2008.
- (2) To reappoint Mr. Harshad Vyas as Joint Managing Director of the Company for a period of 5 years w.e.f. 01/08/2008

2009: NIL

12. High / Low of Monthly Market Price of the Companies Equity Shares traded on Ahmedabad Stock Exchange during the Financial year 2009-2010 is furnished below:

No trading of Securities took place during the year as scrip is suspended at the Bombay Stock Exchange during the year.

13. Distribution of Shareholding as on March 31, 2010.

On the basis of shares held

No of Equity shares held	No. of shareholders	Percentage of Total share holders
Upto 500	2478	74.68 %
501 - 1000	439	3.72%
1001 - 2000	198	1.16%
2001 -- 3000	82	0.33%
3001 --4000	21	0.68%
4001 --5000	34	0.66%
5001 --10000	33	0.17%
Above 10000	33	0.17%
Total	3318	100.00

Shareholding pattern as on 31st March, 2010

Category	No. of share held	% of shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/ directors group Companies	5,49,700	13.71%
b. Other bodies corporate	1,47,577	3.68%
c. Indian public	33,13,323	82.61%
Total	40,10,600	100%

Dematerialization of shares: As on 31-03-10, Demat shares accounted for 26,48,350 Equity Shares) of total equity.

14. Listing on Stock Exchanges : The Stock Exchange – Mumbai
Phiroze jeejeebhiy Towers, Dalal Street,
Mumbai – 400023

The Stock Exchange - Ahmedabad
Kamdhenu Complex, Opp. Sajanand College,
Panjarapole, Ahmedabad-380015

- 16. Investor Correspondence** : All enquiries, clarifications and Correspondence should be addressed to the compliance officer at the following address.
- 17. Compliance Officer** : Mr. Pradip Vyas, Managing Director
- 18. Address for Correspondence** : 9 Shiv Sankalp Society, Naranpura Post Office, Naranpura, Ahmedabad - 380006

19. Compliance Certificate of the Auditors:

The statutory Auditors have certified that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange and the same is annexed to the Directors Report and Management Discussion and Analysis.

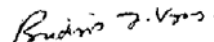
The Certificate from the statutory Auditors will be sent to the listed stock exchange along with the annual return of the Company.

DECLARATION

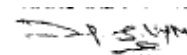
As provided under clause 49 of the Listing Agreement with the Stock Exchange, all Board members and Senior Manager personnel have affirmed compliance with HILLOCK AGRO FOODS (INDIA) LIMITED Code of Business conduct and ethics for the year ended March 31, 2010.

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

Place : Ahmedabad
Date : 20/07/2010



DIRECTOR



DIRECTOR

MANAGEMENT DISCUSSION & ANALYSIS

As per the requirements of the Listing Agreement, as part of the Directors report Management Discussion & Analysis Report forming a part of the annual report to the members given below discussing the key issues:

1. INDUSTRY STRUCTURE

The company is passing through stiff competition but is able to sustain the competition. It is affected by and large small and medium ones as major shares are eaten by big one. 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.

2. OPPORTUNITIES AND THREATS:

The success of the industry is largely dependent on nature. Vagaries of nature can drive the industry southward. The industry is predominantly run by individual farmers who are not adequately knowledgeable in modern methods of culture.

The company is facing financial problems and negotiates with bank to settle the dues. At present company is doing only job-work for lack of working capital.

3. PRODUCTWISE PERFORMANCE:

The Company is mainly doing Job Work for other parties.

4. INTERNAL CONTROL SYSTEM:

The Company has a proper strong independent and adequate system of internal controls to ensure that all the assets are safeguards protected against loss from unauthorized use or disposition and that transactions are authorized recorded and reported correctly. The internal control system are being designed to ensure that the financial and other records are reliable for reporting financial statements and other data, and for maintaining account ability of assets.

5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND OUTLOOK:

The Sales for the year ended on March 31 2010 is Rs. 33,97,790/- as compared to Rs. 30,44,607/-

6. HUMAN RESOURCES

The Industrial Relations were cordial throughout the year with no incidence of strikes or lockouts.

7. CAUTIONARY STATEMENT

Certain Statements in "Management Discussion and Analysis" section relation to estimates, projections and expectations may be forward looking within meaning of applicable laws and regulations. The actual results could differ materially from what the directions envisage in terms of the future performance and outlook. Important factors that can affect the company's operation include drought or unfavorable monsoons, change in government policies, tariff barriers delay in registration changes in conditions in the domestic and overseas market and other related factors.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

We at Hillock Agro Foods (India) Limited Understand your individual manufacturing requirements provide total resource to extend your company's capabilities, meet your goals of a timely entry in to the market, use outsourcing as a strategic move in your product life cycle planning, gain a greater economic edge in a highly competitive market, and manufacturing procedures. Our strength is providing total customer satisfaction by delivering superior quality products through cutting edge technology and the best possible services.

We at Hillock Agro Foods (India) Limited assisted in the development and manufacture of variety of food products for many prestigious agro food companies around the world.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian Agriculture Industry is on the brink of a revolution that will modernize the entire food chain, as the total food production in India is likely to double in the next ten years.

As per recent studies the turnover of the total food market is approximately Rs.250000 crores (US \$ 69.4 billion) out of which value-added food products comprise Rs.80000 crores (US \$ 22.2 billion). The Government of India has also approved proposals for joint ventures, foreign collaborations, industrial licenses and 100% export oriented units envisaging an investment of Rs.19100 crores (US \$ 4.80 billion) out of which foreign investment is over Rs. 9100 crores (US \$ 18.2 Billion). The agricultural food industry also assumes significance owing to India's sizable agrarian economy, which accounts for over 35% of GDP and employs around 65 per cent of the population. Both in terms of foreign investment and number of joint-ventures / foreign collaborations, the consumer food segment has the top priority. The other attractive features of the indian agro industry that have the capacity to lure foreigners with promising benefits are the deep sea fishing, aqua culture, milk and milk products, meat and poultry segments.

STRENGTH OF THE COMPANY:

The long-term goal of the Company is to become a agro food company driven by research. The company also takes all most care to ensure that a safe production of food products being manufactured is prepared by method and process. Prescribe with international specifications. With the prime focus on customer satisfaction, continuous efforts are made to offer solutions that give an extra advantage to the customer.

A strong desire for continuous innovation forms the bedrock of the efforts of this dedicated and talented team. Perseverance & Passion for new ideas are the driving forces, which leverage the efforts to develop new product Solutions, Processes and Applications. A strong harmony between R&D, Production and Marketing team aids in fine tuning production processes to make them more efficient and environment friendly.

Globalization is a thrust area at our end which is evident from our continuous efforts to enhance our International Business, which currently accounts for one third of our business. The international business, which currently forms one third of the Company's business, hold huge potential and is focused for future growth.

Expertise in Research and Development, Formulation manufacturing, latest quality movement and in-depth insight into the Indian and international agro food products markets, Hillock have made unrivaled progress. Current growth rate of the company has increased during the year. Further the Company has assisted in the development and manufacture of a wide variety of food products for many prestigious agro food companies around the world.

Our endeavour to walk an extra milage by providing our customers with alternate solutions, customized products and packaging has resulted in expanding our business horizons and proximity to the lives of people. We remain focused on developing application related derivatives of existing products as well as newer product solutions.

OVERALL REVIEW OF COMPANY

Product Portfolio

We are providing variety of products to the clientele. Currently the product portfolio includes followings:

Bran, Bardan, Reflection, Wheat Crushing, Besan and Plastic Bags

Customer's satisfaction by delivering quality products has been the corner stone of our Company. The Company, therefore, believes in manufacturing of all critical and precision components in-house.

OPPORTUNITIES, THREAT, RISKS AND CONCERNS

Availability of basic raw material of the Company is influenced by vagaries of nature, monsoon, and prevailing temperature during growing period: However due to tough quality parameters being followed during growing and manufacturing process, the Company expects to be in a position to compete with the imported products and will always have advantage over them. Your Company being the supplier of intermediate products to large food companies/chains expects improvement in demand of the products.

FUTURE OUTLOOK:

As a Agro food Industry in India the Company wishes to diversify Business Corporation to achieve leadership by exceeding customer expectation in domestic as well as overseas markets. Further to attain financial strength through ever growing profitability to attain excellence while achieving "Supreme customer satisfaction" to attain the global recognition for the corporation and to focus on customer's need and fulfill their expectations. Further the Company will provide services and products of the most superior quality and seek consistent improvement innovation and

excellence in our performance. To create working environments this helps committed people to achieve their fullest potential. Provide them ample opportunity to grow.

SEGMENT WISE PERFORMANCE

The Company is operating only in one sector i.e. manufacturing & trading of Agro Food and therefore the segment reporting and performance standard is not applicable to the Company.

INTERNAL CONTROL

The Internal Control systems including the policies, procedures and guidelines of the Company are adequate and commensurate to the extent and nature of its operations. The controls are reviewed for effectiveness by the internal auditors and the audit committee too. Any deviations are brought to the notice of the Audit Committee periodically and corrective steps are recommended and implemented.

FINANCIAL PERFORMANCE

The Company is passing through the restructuring process and trying to come out of all difficulties by improving its turnover.

DJNV & Co.

CHARTERED ACCOUNTANTS

58, White House, panchvati Ellisbridge Ahmedabad-380006 Gujarat, India

Ph:- 26402739,26402742,26403096 E-mail:- info@djnv.in

AUDITOR'S REPORT

TO,

THE MEMBERS OF HILLOCK AGRO FOODS (INDIA) LIMITED.

1. We have audited the attached Balance sheet of HILLOCK AGRO FOODS (INDIA) LIMITED as at 31st March 2010, Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the companies (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, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:

- (1) 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;
- (2) 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 the books;
- (3) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
- (4) In our opinion, the Balance sheet, Profit and Loss account and Cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; except As-22, for non provision of Deferred Taxation & As 15 revised and other disclosures as required by the said As -15 are not compiled with.

(5) On the basis of the written representations received from the Directors, as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act; 1956;

(6) Attention is invited to following notes of schedule-10-

1) note no. 11 relating to preparation of accounts on a going concern basis.

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India :



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- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010.
- ii) In the case of the Profit & Loss account, of the Loss of the Company for the year ended on that date and
- iii) In the case of the Cash Flow Statement, of cash flows for the period ended on that date.

DATE: 20/07/10

PLACE: AHMEDABAD

FOR, D J N V & CO
CHARTERED ACCOUNTANTS
ICAI Registration No. 115145W

N. M. Khandhar

NAINESH M KHANDHAR
(PARTNER)

Membership No. 39925



Annexure referred to in Paragraph 3 of our report of even date:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed asset.

(b) As explained to us, management has physically verified fixed assets during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its fixed Assets. No material discrepancies were noticed on such physical verification.

(c) Although a substantial/major part of the fixed assets have been disposed off during the year, in our opinion and according to the information and explanations given to us, the ability of the company to continue as a going concern is not affected.

2. During the year, the company has done job work on behalf of other parties & Government. Company has maintains inventories of By products during the year under review. In case of Govt. Job work, Payment is made in kind in form of bran and reflection items which are By products.

3. In our opinion & according to the information & explanations given to us the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 .

In our opinion & according to the explanation given to us 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 except Loan of Rs. 22.91 lacs from the Directors of the company, terms of loans are not detrimental to the interest of the company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of stores, including components, Fixed Assets and sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. There is no such transaction that needs to be entered into a register in pursuance of section 301 of the Act.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in terms of provisions of Sections 58A, 58AA or any other relevant provisions of the Act, and the rules framed there under.

7. The company has no internal audit system.

8. The Central Government has not prescribed the maintenance of cost records under Section 209 (1) of the Companies Act 1956.

9. a According to the records of the Company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education Fund, Protection Fund, Employee's State insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities.

-b According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Excise Duty, ESI, Wealth Tax, Service Tax, Investor's Education Protection Fund etc. were in arrears as at 31/03/10 for a period of more than six months from the date they became payable.

10. In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash loss of Rs. 54.59 lacs during the financial year and Rs.9.16 lacs cash profit in the preceding year covered by our audit.



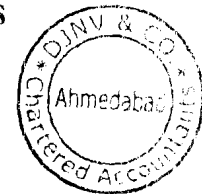
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, hence clause no(xii) of paragraph 4 of the Order is not applicable to the company.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause no. (xiii) of the paragraph 4 of the Order is not applicable to the company.
14. According to explanations and information given to us, the company is not dealing in or trading in securities, debentures or other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
15. According to the information & explanations given to us the Company has not given guarantees or loans taken by others from banks or financial institutions.
16. According to the information & explanations given to us and on an overall examination, we reported that the company has not taken any loan during the year.
17. According to the Cash Flow Statement & other records examined by us and the information and explanations given to us and on an overall basis funds raised on short term basis, prima facie, have not been used during the year for long term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
19. According to information & explanations given to us the company has not issued Debentures
20. The company has not raised any money by public issue during the year
21. To the best of our knowledge & belief & according to the information and explanations given to us & as certified by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

DATE: 20/07/10

PLACE: AHMEDABAD

FOR, D J N V & CO
CHARTERED ACCOUNTANTS
ICAI Registration No. 115145W

N.M. Khandhar
NAINESH M KHANDHAR
(PARTNER)
Membership No.39925



BALANCE SHEET AS ON 31st MARCH, 2010

PARTICULARS	SCHEDULE	Amount	For the year	
			31st March, 2010	31st March 2009
			Rs.	
1. SOURCES OF FUNDS:				
A. Shareholders Funds :				
i) Share Capital	I		40106000	40106000.00
ii) Reserves & surplus.			NIL	0.00
B. Loan Funds :				
i) Secured Loans	II		0	38454.90
ii) Unsecured Loans	III		2641600	15243100.00
Total Rs			<u>42647600</u>	<u>55437554.00</u>
2. APPLICATION OF FUNDS :				
A. Fixed Assets :	IV			
i) Gross Block		1240790		
Less: Depreciation		815066		
TOTAL			425724	17239318.00
B. Investments	V		0	5350000.00
C. (a) Current Assets, Loans And Advances :	VI			
(1) Current Assets		1683869		1070527.00
(2) Loans & Advances		6597102		4321739.00
Less : (b) Current Liabilities & Provisions	VII	6741498		7059228.00
NET CURRENT ASSETS (A - B)			1539473	(1716690)
(D) Profit and Loss Account				
Previous Year		34565198		
Add: Loss of current year		6117205	40682403	24565198.00
TOTAL :			<u>42647600</u>	<u>55437554.00</u>
Significant Accounting Policies & Notes forming Part of Accounts	X			

The Schedules referred to above form an integral part of Financial Statements
As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, D J N V & CO
Chartered Accountants
ICAI registration no. 115145W

N. M. Khandhar
NAINESH KHANDHAR
Partner
Mem no. 39925

Place : Ahmedabad
Date : 20/07/10



Pradip J. Vyas
PRADIP J VYAS

Chairman/Mg. Director

HARSHAD J VYAS

Jt. Mg. Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010			
PARTICULARS	SCHEDULE	For the year 31st March, 2010 Rs.	For the year 31st March, 2009 Rs.
INCOME			
Job work Income	VIII	1307922	1146396
sales income	VIII	2089868	1898211
Other Income	IX	48592	2448327
Closing Stock		0	185697
TOTAL Rs.		3446382	3683531
EXPENDITURE			
Opening Stock of Finished Goods		189697	
Raw Material Consumed		8000	
Advertisement Exp		15008	
Freight & Forwarding		584099	
Payments to Employees		253183	550675
Vehicle Exp		9841	65711
Power & Fuel		737903	1664943
Misc. Expenses		833018	1038723
Financial Expenses (Bank Intrest & Other Fin Chg)		5374	14823
Repairs & Maintenance		16327	227358
Audit Fees		16545	18546
Director's Remuneration		342000	288000
Depreciation		657680	1072524
		3668675	4939922
Profit before prior period & extra ordinary items		(222293)	743709
Gain/(loss) on extraordinary items (Note no. 10)		(5894912)	(900000)
TOTAL Rs.		(6117205)	(156291)
Profit / Loss Before Taxation after extraordinary items		(6117205)	0
Add Provision for Taxation		Nil	
Net Profit / loss		(6117205)	(156291)
Basic earnings per equity share before extraordinary items		(0.06)	1.18
Diluted earnings per equity share before extraordinary items		(0.06)	1.18
Basic earnings per equity share after extraordinary items		(1.53)	0.54
Diluted earnings per equity share after extraordinary items		(1.53)	0.54
Significant Accounting Policies & Notes forming Part of Accounts		XI	

The Schedules referred to above from an integral part
of Financial Statements

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, D J N V & CO
Chartered Accountants
ICAI registration no. 115145W
N. M. Khandhar
NAINESH KHANDHAR
Partner
Mem no. 39925



Place : Ahmedabad
Date : 20/07/10

Pradip J. Vyas.

PRADIP J VYAS

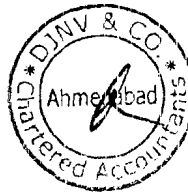
Chairman /Mg. Director

HARSHAD J VYAS

Jt.Mg. Director

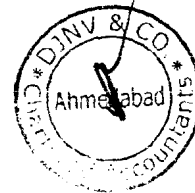
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SCHEDULES OF BALANCE SHEET AS ON 31st MARCH, 2010	For the year 31st March, 2010 Rs.	For the year 31st March, 2009 Rs.
SCHEDULE I		
SHARE CAPITAL		
Authorised : 50,00,000 Equity Shares of Rs. 10/- Each	50000000	50000000
Issued Subscribed & Paid Up 40,10,600 Equity Shares of Rs. 10/- Each	40106000	40106000
Fully paid Up	40106000	40106000
SCHEDULE II		
SECURED LOANS		
(Cash credit facilities from Standard Chartered bank secured against Hyp. of Vehicle)	0	38454
	0	38454
SCHEDULE III		
UNSECURED LOANS		
From Directors	2291600	15243100
From Others (inter corporate loan)	250000	0
	2541600	15243100
SCHEDULE V		
INVESTMENT		
Unquoted Rockfort Cement Pvt Ltd 40000 shares @ Rs. 25 each	0	1000000
Unquoted Jovial Foods Pvt Ltd 87000 Shares @ Rs 50 each	0	4350000
	0	5350000



INDIA
SCHEDULE - IV
Form of Profit and Loss Statement

Sr No	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET B
		Cost as on 01.04.2009 Rs.	Addition Rs.	Deduction Rs.	Cost as on 31.03.2010 Rs.	As on 01.04.2009 Rs.	Provided During the Year Rs.	Deduction Depre- as on Rs.	Total 31.03.2010 Rs.	As on 31.03.2010 Rs.
1	Land	1259516		901874	357642	0	0		0	357642
2	Factory Building	13090143		13090143	0	3958060	234494	4192574	0	0
3	Plant & Machineries	9332858		9332858	0	4227146	285689	4512835	0	0
4	Furniture & fixtures	119647			119647	90646	7574		98220	21427
5	Office Equipments	71771			71771	60880	3409		64289	7482
6	Computer	218886	24000		242886	218885	2907		221792	21094
7	Vehicle	415708			415708	383930	31777		415707	1
8	Electrical Installation	2751122		2751122	0	1208673	84214	1292887	0	0
9	Tools & Equipments	197378		197378	0	89124	6041	95165	0	0
10	Laboratory Equipments	33136			33136	13483	1575		15058	18078
									0	
									0	
	Total Rs.	27490165	24000	26273375	1240790	10250847	657690	10093461	815066	425724
	Previous year Rs	27490165.00	0.00	0.00	27490165.00	9178223.00	1072624.00	0.00	10250847.00	17239318.00



PARTICULARS SCHEDULE-VI	For the year	
	31st March, 2010 Rs.	31st March, 2009 Rs.
Stock in trade		
Raw Materials	0	
Finished Goods (At Net realisable Value)	0	189697
Packing Materials (At Cost or Market whichever is Lower)	0	
Sundry Debtors (Unsecured, Considered Good)		410229
More than Six Months	1621	
Others	1307922	
Cash & Bank Balances		
Bank Balances		
Balance with Scheduled Bank In Current A/c (Maximum Balance during the year Rs. 19559.08) (Previous year Rs. 11302.00)	10018	
Balance with Co. Op. Bank in Current A/c (Maximum balance during the year Rs. 15,60,089.70) (Previous year Rs. 2072213.00)	257666	374326
Cash On Hand	106642	420507
	1683869	1020527
(B) LOANS & ADVANCES (Unsecured)		
Debtors for capital goods	1850000	0
Advances recoverable in Cash or kind for value to be received	4747102	4321739
	6597102	4321739
SCHEDULE VII		
CURRENT LIABILITIES		
Sundry Creditors for goods & expenses	6702769	7956227
Provisions	38729	
SCHEDULE VIII		
SALES		
Job work Income	1307922	1116396
Sales	2089868	1898211
	3397790	3014607
SCHEDULE IX		
OTHER INCOME		
Interest	45822	58442
Sundry creditors written off	0	2390369
Other Income	2770	0
total	48692	2440327



SCHEDULE – X

NOTES FORMING PART OF THE ACCOUNTS AS ON 31st MARCH 2010

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting

The accompanying financial statements have been prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles(GAAP) and the provisions of the Companies Act,1956(The Act).

2. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

3. Fixed Assets and Depreciation

Fixed Assets are stated at cost of acquisition.

4. Inventories

There is no stock of Raw materials and Finished Goods. Byproducts are valued at Net realizable Value and Packing Materials are valued at cost.

5. Investment:

Investments are valued at cost except that there is permanent diminution in the value of the same.

6. Sales & Job Work Charges:

During the year under the review, the company has stopped its own manufacturing & has carried out job work on behalf of parties. The same is accounted on the monthly basis quantity of processing done during the month.

7. Contingent Liabilities:

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the notes on accounts.

8. Preliminary & Deferred Revenue Expenses (Public Issue Exp.)

Preliminary & Public Issue Expenses (if any) are amortized in the same year.

9. Government Subsidy: The subsidy received against fixed assets is reduced from the cost of concerned fixed Assets.

10. Impairment of Fixed Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on appropriate discount factors.

The company has carefully considered the impact of Accounting Standard-28 pertaining to Impairment of Assets.

As the recoverable amount of assets is higher than the WDV of its Fixed Assets, no provision is made for Impairment of assets.



11. Prior Period Items:

There are no prior period items during the year.

12. Gratuity:

Gratuity & other retirement benefits are not provided.

13. Segmental Reporting:

The Company has only one business segment and its operation are also confined to one geographical segment i.e. India, as such, no further disclosure under Accounting Standard 17 "Segment Reporting" issued by the institute of Chartered Accountants of India is required.

14. Deferred Tax Liability:

Deferred taxation has not been calculated, as the Company has unabsorbed losses of previous years and due to uncertainty of the sufficiency of future taxable profit.

B. NOTES FORMING PART OF THE ACCOUNTS:

1. Previous Years Figures have been regrouped and rearranged wherever necessary and they are not comparable with the Current years Figures.

2. Payments to Auditors are as under:

	2009-2010 RUPEES	2008-2009 RUPEES
-Audit Fees	16,545	16,545
Taxation Matter	NIL	NIL
TOTAL Rs.	<u>16,545</u>	<u>16,545</u>

3. Balances of Receivables, Other Current Assets, Loans and Advances, Creditors, Current Liabilities are shown on the basis of book value, and subject to confirmation.

4. In the opinion of the Board of Director Current Assets and Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

5. Payments to Directors:

Particulars	2009-2010	2008-2009
Remuneration	342000	288000
TOTAL Rs.	<u>342000</u>	<u>288000</u>



6. Related Parties Disclosure:

The Company has identified following parties as related parties

Name of the Party	Nature of Relationship	Description of Transaction	Amount of Transaction	O/S Balance
Pradeep J Vyas	Director	Remuneration	171000/-	15100/-
Harshad J Vyas	Director	Remuneration	171000/-	15100/-
Pradeep J Vyas	Director	Unsecured Loan	5013500/- payment	0
Harshad J Vyas	Director	Unsecured Loan	2265000/- payment	2291600/-
Jashwant D Vyas	Director	Unsecured Loan	5673000/- payment	0

7. Earning Per Share:

Earning per share is computed based on Following

	2009-10	2008-09
Profit / Loss after Tax	-6117205	-156291
Nominal Value of Shares (Rs.)	10	10
Number of Equity Shares	40, 10,600	40, 10,600
Earning Per Shares (Rs.)	-1.53	-0.03

8. Provision for Income Tax:

Company has not provided for Income tax or MAT as the same is not applicable because of accumulated losses and unabsorbed depreciation.



9. Quantitative Details of Inventories

Stock & Turnover:

Name of Items	Op. Stock	Purchase	Purchase cost (In Rs.)	Production	Sales	Sales Value (In Rs.)	Consumed During the Year	Closing Stock	Value (In Rs.)
Bardan (in pcs)	0	42598	0	0	42598	381712	0	0	0
Plastic Bags(in Pcs)	7419	103982	387820	0	0	0	111401	0	0
Bran(in kgs)	12005	0	0	151508	163513	1407916	0	0	0
Reflection (in kgs)	17825.1	-		65709.200	83534.3	245740	0	0	0
Total						2035368			

10. Extraordinary items during the year comprise of the following :

- Gain of Rs. 1150176/- on sale of the land.
- Loss of Rs.7045088/- on sale of building,plant & machineries,Electric installation.

11. Going Concern : The net worth of the company has eroded. However, the company expects to revert to financial position and expects to venture into some new areas of business. The business plans are under consideration and when implemented it is expected that the same shall lead to improvement in its operation performance in future. Considering these facts, the accounts of the company are prepared on going concern basis.

FOR, D J N V & CO
CHARTERED ACCOUNTANTS
ICAI Registration No. 115145W

N.M. Khandhar
NAINESH M KHANDHAR
(PARTNER)
Membership No. 39925
PLACE: AHMEDABAD
DATE: 20/07/10



FOR HILLOCK AGRO FOODS (INDIA) LTD

Rudra J. Vasani *D. S. Vani*
DIRECTOR DIRECTOR
PLACE: AHMEDABAD
DATE: 20/07/10

CAPACITY				
PARTICULARS	KGS.	LICENSED CAPACITY	INSTALLED 2009-10	INSTALLED 2008-09
Wheat Crushing	Kgs.	N.A.	24000000	24000000
Besan	Kgs.	N.A.	6000000	6000000
PRODUCTION				
PARTICULARS	KGS		QUANTITY 2009-10	QUANTITY 2008-09
Wheat Crushing	Kgs.		NIL	NIL
Besan	Kgs.		NIL	NIL
PACKING MATERIAL CONSUMED				
PARTICULARS		2009-10		2008-09
		Rs.		Rs.
Packing Material (Bags in pcs)		387620		387620
(a) Earnings in foreign exchange Rs.NIL (Previous year Rs.NIL).				
(b) Expenses in foreign exchange Rs. NIL (Previous year Rs. NIL)				
(c) CIF Value of import Rs. NIL (Previous year Rs. NIL).				

As per our separate Report of even Date On Behalf of the Board of Directors

FOR, D J N V & CO

Chartered Accountants

ICAI registration no. 115145W

N. M. Khandhar
NAINESH M KHANDHAR

Partner

Mem no. 39925

Place : Ahmedabad

Date : 20/07/10



Pradip J Vyas
PRADIP J VYAS

Chairman & Mg. Director

HARSHAD J VYAS

Jt. Mg. Director

[Signature]

C Information pursuant to Part IV of Schedule VI of the Companies Act, 1956 :
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

i Registration Details

Registration No	04- 1993 of 1993-94	State Code	04
Balance Sheet Date	31.03.2010		

ii Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

iii Position of mobilisation and deployment of funds (Amount in Rs. Thousands)

Total liabilities	42647.60	Total Assets	42647.60
Sources of Funds			
Paid-up Capital	40106	Net Profit of the Current Year	(6117.20)
Secured Loans	0.00	Unsecured Loans	2291.60
Applications of funds			
Net Fixed Assets	425.72		
Net Current Assets	1539.47		
Accumulated Losses	40682.40		

IV Performance of Company (Amount in Rs. Thousands)

Turnover**	3446.00	Total Expenditure	NIL
Profit before tax		(6117.20) (to be capitalised)	
profit after tax		(6117.20)	
Earning Per Share	N.A.	Dividend Rate(%)	NIL

V. Generic Names of three Principal Products of Company (as per monetary terms)

Product Description.	Item Code No.(ITC Code)
Wheat or Meslin Flour	1101.00
Cereal Flours other than Wheat or Meslin Flours	1102.00

As per our separate Report of even Date

On Behalf of the Board of Directors

FCR, **D J N V & CO**

Chartered Accountants

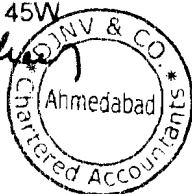
CAI registration no. 115145W

N. M. Khandhar
NAINESH KHANDHAR

Partner

Vien no. 39925

Place : Ahmedabad



Pradip J. Vyasa
PRADIP J. VYAS

Chairman & Mg. Director

Harshad J. Vyasa
HARSHAD J. VYAS

Jt. Mg. Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH.2010

	31st March, 2010	31st March, 2009
	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss before tax and extraordinary items	(6117205)	(156291)
Adjustments For :		
Depreciation	657680	1072624
Misc. Expenses Amortised	0	0
Loss on Sale of investments	7045089	900000
Other Income		
Sundry Balances Appropriated	<u>1585564</u>	<u>1611138</u>
Operating Profit before Working Capital Chnges		
Adjustment For :		
Current Assets		
Current Liabilities		
Increase / Decrease in Net Current Assets	(3302710)	(1121564)
Cash Generated from Operations	NIL	NIL
Direct Taxes Paid	NIL	NIL
Cash Flow before Extraordinary Items	NIL	NIL
Interest Income	0	0
Other Income	NIL	NIL
	<u>0</u>	<u>0</u>
Net Cash from operating activities	<u>(1717446)</u>	<u>(187911)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets/Ad. Against	(24000)	NIL
Sale of fixed Assets	13095825	0
NSC matured	nil	nil
Sale of Investments	1385000	100000
Net Cash used in investing activities	<u>14460825</u>	<u>100000</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Bank Borrowings	(88453)	(42048)
H.P Installments Paid		
Unsecured Loans	(12701500)	(138300)
Inter Corporate Loans	NIL	NIL
Misc. Expenditure Incurred	NIL	NIL
Dividend on Equity Share Capital	NIL	NIL
Net Cash from financing activities	<u>(12789953)</u>	<u>(180348)</u>
Net increase in Cash and Cash equivalents	(46274)	(187959)
Cash and Cash equivalents at beginning of the year	420600	608559
Cash and Cash equivalents at close of the year	374326	420600

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, D J N V & CO
Chartered Accountants
ICAI registration no. 115145W
N. M. Khandhar
NAINESH KHANDHAR
Partner
Mem no. 39925



Place : Ahmedabad
Date 20/07/2010

Pradip J Vyas
PRADIP J VYAS
HARSHAD J VYAS
S. V. M.

Chairman & Mg. Director
Jt. Mg. Director

Notes to the Cash flow Statement for the year ended on 31/03/10

A	Adjustment for change in Working Capitals	2008-09	2009-10	
	Sundry Debtors & Inventories	599925.75	1309543.00	
	Loans & Advances	4321739.00	4747102.00	
		4921664.75	7906645.00	(2984980.25)
	Current Provisions & Liabilities			
		7059227.42	6741498.16	317729.26
	Net Working Capital Assets	(2137562.67)	1165146.84	
	Decrease In working Capital		(3302709.51)	(3302709.51)

B Cash and Cash equivalents include:
Cash and Bank Balance

C The Cash flow statement has been prepared in accordance with the requirements of Accounting Standard-3- "Cash flow Statement" issued by the Institute of Chartered Accountants of India and the Listing Agreement with stock exchanges.

D Previous year's figures have been regrouped wherever necessary to conform to this year's classification



DJNV & Co.

CHARTERED ACCOUNTANTS

58, White House, panchvati Ellisbridge Ahmedabad-380006 Gujarat, India

Ph:- 26402739,26402742,26403096 E-mail:- info@djnv.in

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of HILLOCK AGRO FOODS (INDIA) LIMITED:

1 We have reviewed the Compliance of conditions of Corporate Governance by HILLOCK AGRO FOODS (INDIA) LIMITED for the year ended 31st March 2010 as stipulated in Clause 49 of the listing Agreement of the said Company with the Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.

2 The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3 In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has generally complied with the conditions of the corporate governance as stipulated in the abovementioned listing agreement except default in payment made for listing fees with Ahmedabad Stock Exchange & Madras Stock Exchange.

4 Management is unable to provide certificate from the Registrars and Share Transfer Agents of the company regarding grievances pending against the company. To that extent we are unable to comment on the same.

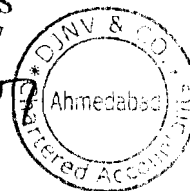
5 We further state that such Compliance is neither an assurance as to the further viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR, DJNV & CO
CHARTERED ACCOUNTANTS
ICAI Registration No. 115145W

N. M. Khandhar

Nainesh M Khandhar
(Partner)

Membership No. 39925



PLACE: AHMEDABAD

DATE: 20/07/10