

TWENTY THIRD ANNUAL REPORT 2012-2013

OF

JOLLY MERCHANDISE LIMITED

BOARD OF DIRECTOR

NILESHKUMAR HASMUKLAL KHATRI	- DIRECTOR
JIMISH JITENDRABHAI SONI	- DIRECTOR
AMISHKUMAR DANTARA	- DIRECTOR
DHANPAL JITENDRAKUMAR GANDHI	- DIRECTOR

AUDITOR

M/S. Y. D. & CO.
Chartered Accountants
LUDHIANA

SHARE TRANSFER AGENT

M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED

B-302, Sony Apartment, Opp. St. Judge's High School,
Off Andheri-Kurla Road, Jarimari, Sakinaka,
Mumbai-400072 Maharashtra, INDIA
Ph No: +91-22-2852 0461 / 2852 0462
Fax No: +91-22-2851 1809
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REGISTERED OFFICE

304, SAFFRON TOWER, NEAR PANCHWATI CIRCLE,
PANCHWATI TO AMBAWADI ROAD,
AMBAWADI, AHMEDABAD - 390006,
GUJARAT, INDIA.

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N O T I C E

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the Members of **JOLLY MERCHANDISE LIMITED** will be held at the Registered Office of the Company at **304, Saffron Tower, Near Panchwati Circle, Panchwati To Ambawadi Road, Ambawadi, Ahmedabad- 390006, Gujarat, India** on **Monday, 30th day of September, 2013 at 02:00 P. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at **31st March, 2013** and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of **Mr. Amishkumar Dantara**, who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint a Director in place of **Mr. Dhanpal Jitendrakumar Gandhi**, who retires by rotation and being eligible, offers him-self for re-appointment.
4. To appoint Auditor and to fix their remuneration.

**By Order of the Board
For, JOLLY MERCHANDISE LIMITED**

PLACE: AHMEDABAD

DATE: 30.08.2013

**(NILESHKUMAR HASMUKLAL KHATRI)
CHAIRMAN**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 23rd September, 2013 to 30th September, 2013 (Both Days Inclusive).
5. M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED having its registered office at B-302, Sony Apartment, Opp. St. Judge's High School, Off. Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai-400072 Maharashtra, INDIA are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. The members are requested to please ensure that their shares are converted into Demat Form.
6. Additional information as required in terms of paragraph 2 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:
Mr. Amishkumar Dantara is Director of the Company. He has rich experience in the field of Agriculture and its related activities. He has been associated with the Company w. e. f. 05.04.2012. He is Member of Share Transfer and Grievances Committee of the Company. **Mr. Amishkumar Dantara** retires by rotation and being eligible offers himself for re-appointment.
7. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:
Mr. Dhanpal Jitendrakumar Gandhi is Director of the Company. He has rich experience in the field of finance and its related activities. He has been associated with the Company w. e. f. 05.04.2012. He is Member of the Share Transfer and Grievances Committee of the Company. **Mr. Dhanpal Jitendrakumar Gandhi** retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors here by present the Twenty Third Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2013**.

REVIEW OF OPERATIONS:

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs. 986725/-.The management has taken measures as part of its continuous improvements to strengthen operations and viability.

DIVIDEND:

Your Directors have not declared any dividend during the year under review due to loss incurred.

FIXED DEPOSIT:

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

DIRECTORS:

MR. AMISHKUMAR DANTARA and MR. DHANPAL JITENDRAKUMAR GANDHI Directors of the Company are retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

MR. GOVINDBHAI SENMA and MR. HASHMUKHBHAI SENMA were resigned as a Director of the Company with effect from 07.05.2013.

AUDITORS AND AUDITORS' REPORT:

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL COMPLIANCE CERTIFICATE:

In accordance with the Section 383A of the Companies Act, 1956 and Companies (Appointment and Qualifications of Secretary) Amendment Rules, 2009, the Company has obtained a certificate from a secretary in whole-time practice confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of such certificate is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

CORPORATE GOVERNANCE REPORT:

Your Company has complied with the requirements of Clause 49 of the Listing Agreement on Corporate Governance. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed separately to this Annual Report.

PARTICULARS OF EMPLOYEES:

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1) (e) of the Companies Act 1956, are not applicable to our Company, as our Company in not engage in manufacturing activities.

The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 financial year and of the profit or loss of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) Directors have prepared the accounts on a "going concern basis".

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board
For, JOLLY MERCHANDISE LIMITED**

PLACE: AHMEDABAD

DATE: 30.08.2013

**(NILESHKUMAR HASMUKLAL KHATRI)
CHAIRMAN**

Annexure to Director's Report

COMPLIANCE CERTIFICATE

Corporate Identity No.: L01130GJ1990PLC014435

Nominal Capital: Rs.50000000/-

To,
The Members,
JOLLY MERCHANDISE LIMITED
304, Saffron Tower, Near Panchwati Circle,
Panchwati to Ambawadi Road,
Ambawadi, Ahmedabad- 390006

I have examined the registers, records, books and papers of **M/S JOLLY MERCHANDISE LIMITED** as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial ended **31st March, 2013**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made there under.
3. The company, being public limited company, comments are not required.
4. The Board of Directors met 7 (Seven) times on **05.04.2012, 26.05.2012, 03.08.2012, 01.09.2012, 03.11.2012 01.01.2013, 01.02.2013** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of members and share transfer books from 22.09.2012 to 29.09.2012 (both days inclusive) and necessary compliance of Section 154 of the Companies Act has been made.
6. The 22nd Annual General Meeting for the financial year ended on 31.03.2012 was held on 29.09.2012 after giving due notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. As confirmed by the management that the company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. As confirmed by the management that the Company has not entered into contracts specified under Section 297 of the Act during the financial year.
10. As confirmed by the management that the company has made necessary entry in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the board of directors, members or central government.
12. The company has not issued duplicate share certificates during the financial year.

13. The company:
- (i) There was no allotment of shares during the year. The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the company as no dividend was declare during the financial year.
 - (iv) has no amount outstanding in unpaid dividend account, application money due for refund, matured deposit, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) has complied with the requirements of section 217 of the Act.
14. The board of directors of the company is duly constituted. MR. AMISHKUMAR DANTARA and MR. DHANPAL JITENDRAKUMAR GANDHI who retires by rotation and being eligible, offers him-self for re-appointment during the financial year. MR. GOVINDBHAI SENMA and MR. HASHMUKHBHAI SENMA were resigned as a Director of the Company with effect from 07.05.2013. There was no Appointment of Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The company has not appointed any Managing Director/ Whole-time Director/ Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. As informed by the management of the Company that the Company has obtained all necessary approvals, wherever necessary, of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the provisions of the Act.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has not issued any preference shares or debentures so question of redemption of preference shares or debentures does not arise.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The company has not made any borrowings during the financial year ended 31st March, 2013.
25. The company has made loan and advances to other bodies corporate within the limit prescribed under section 372A of the Companies Act, 1956 and necessary entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to change of object of the company during the year under scrutiny.

28. The company has not altered the provisions of the memorandum with respect to change of name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association with respect to change of name of the company during the financial year.
31. As informed by the management of the Company that there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishments was imposed on the company during the financial year, for offences under the act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not deducted any contribution towards provident fund pursuant to section 418 of the companies act, 1956 during the financial year.

PLACE: BHILWARA

DATE: 30.08.2013

[SHUBHAM AGARAWAL]
Company Secretaries
C. P. NO.: 10640

ANNEXURE: "A" : SECRETARIAL COMPLIANCE CERTIFICATE

The Company has been maintaining the statutory records such as:

Sr. No.	Under Section	Name of the Register
1	150	Register of Members
2	193	Minutes Book of Annual General Meeting
3	193	Minutes Book of Board Meeting
4	209	Books of Accounts
5	303	Register of Directors, Managing Director, Manager & Secretary
6	307	Register of Directors Shareholdings

ANNEXURE: "B" : SECRETARIAL COMPLIANCE CERTIFICATE

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March, 2013.

E Form	Particular	Section	Challan	Date
23AC & 23ACA_XBRL	Annual Accounts of the Company as at 31st March 2013	220	Q05804091	12.01.2013
23B	Information by auditor to Registrar for the year 2012-13	224(1A)	S19469139	23.12.2012
23B	Information by auditor to Registrar for the year 2011-12	224(1A)	S13431192	11.08.2012
66	Compliance Certificate as on 31.03.2012	383A	P91683847	23.10.2012
32	Change of Board of Director	303(2)	B37547494	24.04.2012
32	Change of Board of Director	303(2)	B63322374	07.12.2012
32	Change of Board of Director	303(2)	B74520982	08.05.2013

Annexure to Director's Report**MANAGEMENT DISCUSSION ANALYSIS REPORT****Outlook:**

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

Internal Controls Systems and their adequacy:

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

Human Resources:

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

Annexure to Director's Report**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31ST MARCH, 2013****1. THE CORPORATE GOVERNANCE PHILOSOPHY**

Corporate Governance at the Company is by the need to "enhance shareholder value, keeping in view the interests of other stakeholders". This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders' wealth whilst not being detrimental to other stakeholders' interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practicing it to achieve desired results.

2. BOARD OF DIRECTORS

The Board of Directors is having non-executive and independent directors as on 31st March, 2013. The Board of Directors is consisting of three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors did not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

Numbers of Board Meetings held and the dates on which such meetings were held:

During the financial year 2012-13 the Board met 7 (Seven) times on **05.04.2012, 26.05.2012, 03.08.2012, 01.09.2012, 03.11.2012, 01.01.2013, 01.02.2013**. The maximum gap between two meetings was not more than 4 months.

Attendance record of Directors attending the Board meetings and Annual General Meetings:

Name of the Director	Designation/ Category	No. of Board Meetings		Last AGM attendance
		Held	Attended	
Mr. Nileshkumar Hasmukhlal Khatri	Executive & Non Independent	7	7	Yes
Mr. Jimish Jitendrabhai Soni	Non Executive & Independent	7	6	No
Mr. Amishkumar Dantara	Non Executive & Independent	7	6	Yes
Mr. Dhanpal Jitendrakumar Gandhi	Non Executive & Independent	7	6	Yes
None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.				

3. AUDIT COMMITTEE

The Audit Committee of the Company presently comprises of three Directors being Mr. Nileshkumar Hasmukhlal Khatri, Mr. Jimish Jitendrabhai Soni and Mr. Dhanpal Jitendrakumar Gandhi.

Mr. Dhanpal Jitendrakumar Gandhi is Chairman of the Committee.

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

Role/ Functions of the Committee:

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

Powers of the Committee:

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.

Attendance at the Audit Committee Meetings

During the year the Audit Committee met 4 times on **26.05.2012, 03.08.2012, 03.11.2012, 01.02.2013** attendance of the members as under:

Name	No. of Meeting attended	
	Held	Attended
Mr. Nileshkumar Hasmukhlal Khatri	4	4
Mr. Jimish Jitendrabhai Soni	4	4
Mr. Dhanpal Jitendrakumar Gandhi	4	4

4. REMUNERATION COMMITTEE

As neither remuneration nor sitting fee paid to the director as no remuneration Committee has been set up.

5. SHAREHOLDERS TRANSFER AND GRIEVANCES COMMITTEE

This committee consists of three directors namely, **Mr. Nileshkumar Hasmukhlal Khatri, Mr. Jimish Jitendrabhai Soni and Mr. Dhanpal Jitendrakumar Gandhi.**

Mr. Nileshkumar Hasmukhlal Khatri is Chairman of the Committee. The committee was constituted to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, non-receipt of annual accounts, delay in balance sheet, split-up share certificate, issue duplicate certificate, transmission of shares, dematerialization of shares etc. relating to the shares issued by the Company. **Mr. Nileshkumar Hasmukhlal Khatri**, Director of the Company has been authorized by the Board to approve such transfers within the time stipulated under the Listing Agreement. Further the complaints of the above nature are promptly attended by the Compliance Officer.

Mr. Nileshkumar Hasmukhlal Khatri has been appointed as the Compliance Officer of the Company by the Board of Directors.

There is no pending, unsolved complaint of Shareholders of the Company and no pending Share Transfer.

6. GENERAL BODY MEETINGS**Location and time for last 3 years Annual General Meetings:**

Financial Year	Location	Date	Time A.M./ P.M.
2011-12	At Registered office of the company	29.09.2012	11.00 A.M.
2010-11	At Registered office of the company	30.09.2011	11.00 A.M.
2009-10	At Registered office of the company	30.09.2010	11:00 A.M.

No Extra Ordinary General Meeting held during the year. No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.

7. DISCLOSURES

- There are no materially significant related party transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

8. CEO / CFO CERTIFICATION under clause 41 and clause 49 of the Listing Agreement have been submitted to the Board by the CEO and CFO.

9. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

10. GENERAL SHAREHOLDERS INFORMATION:

Financial Year	1st April, 2012 to 31st March, 2013
Date and time of Annual General Meeting	30th September, 2013 and 02:00 P.M.
Venue of Annual General Meeting	304, Saffron Tower, Near Panchwati Circle, Panchwati To Ambawadi Road, Ambawadi, Ahmedabad- 390006, Gujarat, India.
Dates of Book Closure	23.09.2013 to 30.09.2013
Listing on Stock Exchange	BSE Limited, Mumbai
Stock Code and Scrip ID	519191 (BSE) and JOLYMER
Demat ISIN No.	INE601N01010
Tentative Calendar for financial year ending 31st March, 2014:	
Quarterly Financial Results	Date of Board Meeting
First Quarterly Results	Last week of July, 2013
Second Quarterly Results	Last week of October, 2013
Third Quarterly Results	Last week of January, 2014
Fourth Quarterly Results	Last week of April, 2014

11. CATEGORIES OF SHAREOWNERS AS ON 31.03.2013:

Category	No. of Shares Held	Voting Strength (%)
Promoters	579600	12
Resident Individuals	1745540	36.14
Financial Institutions/ Banks	00	00
Bodies Corporate	2410860	49.91
NRIs/ OCBs	00	00
Directors Relatives	00	00
Others (Hindu Undivided Families)	94000	1.95
Total	4830000	100

12. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013

Shares Distribution	Holders	% of Total	Total Shares	% of Total
Up to 2500	426	32.42	56300	1.17
2501 - 5000	725	55.18	349000	7.23
5001 - 10000	71	5.40	43600	0.90
10001 - 20000	2	0.15	2800	0.06
20001 - 30000	1	0.08	2100	0.04
30001 - 40000	-	--	--	--
40001 - 50000	1	0.08	4300	0.09
50001 - 100000	1	0.08	6140	0.13
100001 and above	87	6.62	4365760	90.39
Total	1314	100.00	4830000	100.00

13. STOCK MARKET DATA

During the financial year, the trading in equity shares of the Company is suspended; the stock price data is not available.

14. REGISTRAR AND SHARE TRANSFER AGENT

M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED having its registered office at B-302, Sony Apartment, Opp. St. Judge's High School, Off Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai-400072 Maharashtra, INDIA is the Registrar & Share Transfer Agent for processing the transfer of securities issued by the Company.

15. SHARE TRANSFER SYSTEM

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

16. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with both existing Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) enabling the investors to hold shares of the company in electronic form through the depository of their choice.

17. ADDRESS FOR CORRESPONDENCE:

304, Saffron Tower, Near Panchwati Circle, Panchwati To Ambawadi Road, Ambawadi, Ahmedabad- 390006.

Investors Correspondence/ Complaints to be address to:

Mr. Nileshkumar H. Khatri - Director and Compliance Officer

E-mail: jollymerchandise@ymail.com

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS

To

The Members of **JOLLY MERCHANDISE LIMITED**
Ahmedabad

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company.

The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2013, as envisaged in Clause 49 of the Listing agreement with Stock Exchanges.

For and on Behalf of the Board
For, JOLLY MERCHANDISE LIMITED

PLACE: AHMEDABAD

DATE: 30.08.2013

(NILESHKUMAR HASMUKLAL KHATRI)
CHAIRMAN

CEO/CFO CERTIFICATE

To,
The Board of Director
JOLLY MERCHANDISE LIMITED
Ahmedabad

I, Nileshkumar H. Khatri, Chairman of **JOLLY MERCHANDISE LIMITED** to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet, Profit & Loss Account and its schedules & notes on accounts as well as the Cash Flow Statement and Directors' Report for the year ended 31st March, 2013 and that to the best of my knowledge and belief.
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. I also certify that to the best of my knowledge and the information provided to me, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps. I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
 - significant changes in internal control, if any, over financial reporting during the year;
 - significant changes, if any, in accounting policies during the year and that the financial statements; and
 - instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.
5. I further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended on 31st March, 2013.

PLACE: AHMEDABAD
DATE: 30.08.2013

(NILESHKUMAR KHATRI)
CHAIRMAN AND DIRECTOR

CERTIFICATION ON CORPORATE GOVERNANCE

To the members of JOLLY MERCHANDISE LIMITED

We have examined the compliance of conditions of Corporate Governance by **JOLLY MERCHANDISE LIMITED** for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of condition 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 conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

PLACE: LUDHIANA
DATE: 30.08.2013

CA RAKESH PURI
PARTNER
M. No.: 092728

Independent AUDITORS' REPORT TO THE MEMBERS OF JOLLY MERCHANDISE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **JOLLY MERCHANDISE LIMITED** which comprise the Balance Sheet as at 31 March 2013, & the Statement of Profit and Loss and for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- ii) in the case of the statement of profit and loss, of the profit for the year ended on that date;
- iii) In the case of cash flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. the Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account .
- d. in our opinion, the Balance Sheet & Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

PLACE: LUDHIANA
DATE: 30.08.2013

CA RAKESH PURI
PARTNER
M. No.: 092728

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of JOLLY MERCHANDISE LIMITED on the accounts of the company for the year ended 31st March, 2013.

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

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

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. company does not have inventories during the year hence other sub clause not applicable
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As informed to us the company is not required to maintain cost accounts and records as prescribed by Central Government under section 290 (1)(d) of the Companies Act 1956.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The accumulated losses at the end of the financial year are not more than 50% of its net worth and it has incurred cash losses of Rs 9,86,718/- during the financial year under report and it has also incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

PLACE: LUDHIANA
DATE: 30.08.2013

CA RAKESH PURI
PARTNER
M. No.: 092728

BALANCE SHEET AS AT 31ST MARCH, 2013			
(Amount in Rupees)			
Particulars	Notes	31.03.2013	31.03.2012
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2	48300000	48300000
(b) Reserves and Surplus	3	(17576707)	(16589982)
<u>(2) Share Application money pending Allotment</u>			
		00	00
<u>(3) Non-Current Liabilities</u>			
(a) Deferred Tax Liabilities (Net)		86430	86430
(b) Other Long Term Liabilities	4	3165970	3165970
<u>(4) Current Liabilities</u>			
(a) Trade Payables	5	1157462	170744
(b) Other Current Liabilities	6	53500	53500
(c) Short-Term Provisions	7	11800	11800
Total Equity & Liabilities		35198455	35198462
II. ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
(i) Gross Block	8	8916338	8916338
(ii) Depreciation		6167338	6167331
(iii) Net Block		2749000	2749007
(b) Non-current investments	9	14308000	14308000
(c) Long term loans and advances	10	10057117	10057117
(d) Other non-current assets	11	6330180	6330180
<u>(2) Current Assets</u>			
(a) Cash and cash equivalents	12	121392	121392
(b) Short-term loans and advances	13	1632766	1632766
Total Assets		35198455	35198462
NOTES TO ACCOUNTS 1 to 28			
<i>Schedules referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
For Y. D. & Co.		FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS			
Firm Reg. No. 018846 N			
(CA RAKESH PURI)		NILESHKUMAR KHATRI	JIMISH SONI
PARTNER/M. No. 092728		(DIRECTOR)	(DIRECTOR)
Place: Ludhiana		Place: Ahmedabad	
Date: 30.08.2013		Date: 30.08.2013	

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013				
(Amount in Rupees)				
Sr. No	Particulars	Notes	2012-13	2011-12
I	Revenue from operations		00	00
II	Other Income		00	00
III	III. Total Revenue (I +II)		00	00
IV	Expenses:			
	Employee Benefit Expense	14	2500	2500
	Depreciation and Amortization Expense	15	7	458002
	Other Administrative Expenses	16	984218	176744
	Total Expenses (IV)		986725	637246
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(986725)	(637246)
VI	Exceptional Items		00	00
VII	Profit before extraordinary items and tax	(V - VI)	(986725)	(637246)
VIII	Extraordinary Items		00	00
IX	Profit before tax (VII - VIII)		(986725)	(637246)
X	Tax expense		00	00
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	(986725)	(637246)
XII	Profit/(Loss) from discontinuing operations		00	00
XIII	Tax expense of discounting operations		00	00
XIV	Profit/(Loss) from Discontinuing operations	(XII - XIII)	00	00
XV	Profit/(Loss) for the period (XI + XIV)		(986725)	(637246)
XVI	Earning per equity share:			
	(1) Basic		00	00
	(2) Diluted		00	00
NOTES TO ACCOUNTS 1 to 28				
<i>Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement</i>				
<i>This is the Profit & Loss Statement referred to in our Report of even date.</i>				
For Y. D. & Co. CHARTERED ACCOUNTANTS Firm Reg. No. 018846 N			FOR AND ON BEHALF OF THE BOARD	
(CA RAKESH PURI) PARTNER/M. No. 092728 Place: Ludhiana Date: 30.08.2013			NILESHKUMAR KHATRI (DIRECTOR) Place: Ahmedabad Date: 30.08.2013	
			JIMISH SONI (DIRECTOR)	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013		
(Amount in rupees)		
	2012-13	2011-12
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra Ordinary Items	(986725)	(637246)
Adjustments for		
Depreciation	7	419382
Preliminary Exp	0	38620
Operating Profit before Working Capital Changes	(986718)	(179244)
Adjustments for		
Trade payable	986718	170744
Cash generated from operation	00	(8500)
Direct Taxes paid	00	00
Net cash from Operating Activities	00	(8500)
B CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchases /Sales of Fixed Assets	00	00
Net cash flow from Investing Activities	00	00
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue	00	00
Proceeds from Non-Current assets ,Loans& advances	00	00
Net cash flow from Financing Activities	00	00
Net Increase/(Decrease) in Cash & Cash Equivalent	00	(8500)
Cash & Cash Equivalent at the beginning of the year	121392	129892
Cash & Cash Equivalent at the end of the year	121392	121392
Note: 1. Above Statements have been prepared in the indirect method.		
2. Cash & Cash equivalents represent Cash and Bank Balances only.		
3. Previous Year figures have been regrouped/rearranged, wherever necessary.		
For Y. D. & Co.	FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS		
Firm Reg. No. 018846 N		
(CA RAKESH PURI)	NILESHKUMAR KHATRI	JIMISH SONI
PARTNER/M. No. 092728	(DIRECTOR)	(DIRECTOR)
Place: Ludhiana	Place: Ahmedabad	
Date: 30.08.2013	Date: 30.08.2013	

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note 1: SIGNIFICANT ACCOUNTING POLICIES

- METHOD OF ACCOUNTING:** Accounts of the company are maintained on the basis of Mercantile System of accounting, Accounting method not referred otherwise are in consistent with the generally accepted accounting practices.
- FIXED ASSETS:** Fixed Assets are stated at cost less depreciation, fixed assets purchased during the year are capitalized at cost inclusive of expense up to their completion or acquisition.
- INVESTMENT:** Raw materials, stores and all other inventories are valued at cost or market value whichever is lower.
- MISCELLANEOUS EXPENDITURE:** Preliminary Expenses and deferred revenue expenditure are written off at 10% every year to amortize over a period of 10 years.

Notes: 2 Share Capital

Sr. No	Particulars	Rs.	
		Current Year	Previous Year
1	AUTHORIZED CAPITAL 5000000 Equity Share of Rs. 10/- each.	50000000	50000000
		50000000	50000000
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum Paid up Share capital by allotment 4830000 Equity Share of Rs. 10/- each. Less : Application and Allotment money receivable	48300000 00	48300000 00
	Total in	48300000	48300000

Notes : 3 Reserve & Surplus

1	Surplus (Profit & Loss Account)	(17576707)	(16,589,982)
	Balance brought forward from previous year	(16,589,982)	(15,952,736)
	Less: Short Prov of I.T. of Prev Year	00	00
	Less: Tax on Regular Assessment Paid	00	00
	Add: Profit for the period	(986,725)	(637,246)
	Total in `	(17576707)	(16,589,982)

Note: 4 Long Term liabilities(Others)

1	Other Payables	3,165,970	3,165,970
	Total in `	3,165,970	3,165,970

Note : 5 Trades Payable

	-Sundry Creditors for Materiel/Supplies	00	00
	-Sundry Creditors for Services/others	1157462	170,744
	Total in `	1157462	170,744

Note : 6 Other Current Liabilities

Sr. No	Particulars	Rs.	Rs.
		Current Year	Previous Year
	Expenses Payable	53,500	53,500
	Total in `	53,500	53,500

Note : 7 Short Term Provisions

1	Provision for Taxation	11800	11800
	Total in `	11800	11,800

Note : 9 Non Current Investment

1	Investment in Property	00	00
2	Investment in Equity Instrument(At Cost)	00	00
	UNQUOTED (F.V. Rs.10/- each)		
	Unlisted Equity Shares of J.G.E.L	865000	865000
	Unlisted Equity Shares of J.S.L.	4650000	4650000
	Unlisted Equity Shares of J.E.D.L.	4043000	4043000
	Unlisted Equity Shares of J.L.F.L.	4750000	4750000
	Total in `	14,308,000	14,308,000

Note: 10 Long Term Loans and Advances

1	Loans & Advances to related parties	2,291,227	2,291,227
2	Other Loans & Advances	7,711,991	7,711,991
3	Deposits	53,900	53,900
	Total in `	10,057,117	10,057,117

Note : 11 Other Non Current Assets

1	Long Term Trade Receivables		
	a) Secured, Considered Good :	00	00
	b) Unsecured, Considered Good :	6,330,180	6,330,180
	c) Doubtful	00	00
	Total in	6,330,180	6,330,180

Note : 12 Cash & Cash Equivalent

1	Cash-in-Hand		
	Cash Balance	120,229	120,229
	Sub Total (A)	120,229	120,229
2	Bank Balance		
	Bank Balance with Scheduled Banks	1,163	1,163
	Sub Total (B)	1,163	1,163
	Total [A+B+C]	121,392	121,392

Note :13 Short Terms Loans and Advances

Sr. No	Particulars	Rs.	Rs.
		Current Year	Previous Year
1	Loans & Advances from related parties	00	00
2	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Advance to Suppliers	00	00
	Advance Income Tax/Refund Due	1,632,766	1,632,766
	Total in `	1,632,766	1,632,766

Note : 14 Employment Benefit Expenses

1	Salaries, Bonus, PF & ESIC	2,500	2,500
2	Directors Remuneration	00	00
	Total in `	2,500	2,500

Note : 15 Depreciation & Amortized Cost

1	Depreciation	7	419,382
2	Preliminary Expenses W/O	00	38,620
	Total in	7	458,002

Note : 16 Other Expenses

1	Audit Fees	5000	2000
2	Annual Custody	11798	00
2	Consultancy Exp.	00	1500
3	Listing Fees	967420	170744
4	Printing & Stationery	00	750
5	Misc. Exp.	00	1250
6	Telephone & Posting Exp.	00	500
	Total in	984218	176,744

Note: 17 Estimated amount of contract remaining to be executed on Capital Accounts not provided for is Rs. NIL (Previous year Rs. NIL)

Note: 18 the outstanding balances of Deposits, Loans and Advances Creditors, etc. are subject to confirmation, reconciliation and adjustments, if any.

Note: 19 Pre – Operative Expenses shall be allocated to Fixed Assets when the Company will commence commercial production.

Note: 20 In the opinion of the Board the Loans and advances and deposits are approximately of the value stated, if realized in the ordinary course of business.

Note : 8 Fixed Asset

Sr. No	Particulars	Rate	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.12.2013	WDV as on 31.03.2012
	<u>Tangible Assets</u>											
1	Building	--	4352338	0	0	4352338	4352333	0	5	4352338	0	5
2	Land	--	2549000	0	0	2549000	0	0	0		2549000	2549000
3	Office Premises	--	1815000	0	0	1815000	1814998	0	2	1815000	0	2
4	Trade Mark	--	200000	0	0	200000	0	0	0		200000	200000
	Total (Current Year)		8,916,338	0	0	8,916,338	6,167,331	0	7	6,167,338	2,749,000	2,749,007
	(Previous Year)		8,916,338	0	0	8,916,338	5,747,949	0	419,382	6,167,331	2,749,007	2,749,007

- Note: 21** In our opinion and to the best of our information and according to the explanation given to us the said accounts read with and subject to all the notes thereon given the information required in the Companies Act, 1956, in the manner so required and give a true and fair view.
- Note: 22** Inventories are valued at cost or market value whichever is lower.
- Note: 23** The Accounts which have been adjusted by debit and credit entries & respective parties account are subject of confirmation.
- Note: 24** No provision for gratuity is made, since there are no such employees eligible and same shall be accounted for us and when paid.
- Note: 25** previous years figures are regrouped wherever considered necessary to make them comparable with the figures of the year under report.
- Note: 26** ACCOUNTING FOR TAXES ON INCOME:
Current taxes have been accounted as per payable method.
Deferred tax is provided on all timing difference which is recognized during the period. Deferred tax assets are recognized only if there is a reasonable certainty on the reliability of the assets.
- Note: 27** the valuation of inventories has been done as per the revised accounting standard on valuation of inventories (AS2) issued by the Institute of Chartered Accountants of India, which became effective from 1st April, 1999.
- Note: 28** previous year's figures have been regrouped/rearranged wherever considered necessary.

In terms of our report of even date

For Y. D. & Co.
CHARTERED ACCOUNTANTS
Firm Reg. No. 018846 N

FOR AND ON BEHALF OF THE BOARD

(CA RAKESH PURI)
PARTNER/M. No. 092728
Place: Ludhiana
Date: 30.08.2013

NILESHKUMAR KHATRI
(DIRECTOR)
Place: Ahmedabad
Date: 30.08.2013

JIMISH SONI
(DIRECTOR)

JOLLY MERCHANDISE LIMITED

Reg. office Address: 304, Saffron Tower, Near Panchwati Circle, Panchwati to Ambawadi Road, Ambawadi,
Ahmedabad- 390006, Gujarat, India

23RD ANNUAL GENERAL MEETING

On 30.09.2013 at 02.00 p.m. at registered office of the company

DP. Id*		Name & address of the registered shareholder
Client Id*		
Regd. Folio No.		

* Applicable for shareholding in electronic form.

I/We certify that I/We am/are a registered shareholder / proxy for the registered shareholder of the Company. I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company.

Signature of Member/s/ Proxy

NOTE: A member or his duly appointed Proxy willing to attend the meeting must fill-up this Admission Slip and hand over at the entrance.



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FORM OF PROXY**JOLLY MERCHANDISE LIMITED**

Reg. office Address: 304, Saffron Tower, Near Panchwati Circle, Panchwati to Ambawadi Road, Ambawadi,
Ahmedabad- 390006, Gujarat, India

23RD ANNUAL GENERAL MEETING

On 30.09.2013 at 02.00 p.m. at registered office of the company

I/We

\of.....

Member / Members of JOLLY MERCHANDISE LIMITED hereby
appoint.....ofof failing him/
her..... ofas my/
our Proxy to attend and vote for me/us on my/ our behalf at the 23rd Annual General Meeting of the Company to be
held on 30.09.2013 at 02:00 p.m. at registered office of the company and at any adjournment thereof.

Signed on thisday of2013.

Affix
Revenue
Stamp

Signature

Ref. Folio No		Demat Account No		D.P. ID No	
---------------	--	------------------	--	------------	--

NOTE:

1. The Proxy need NOT be a Member.
2. The Proxy Form must be deposited at the Registered Office not less than 48 hours before the scheduled time for holding the meeting.

BOOK-POST



If undelivered, please return to:

JOLLY MERCHANDISE LIMITED

**REGD. OFFICE: 304, SAFFRON TOWER, NEAR PANCHWATI CIRCLE, PANCHWATI TO AMBAWADI ROAD,
AMBAWADI, AHMEDABAD- 390006, GUJARAT, INDIA**