

TWENTY FOURTH ANNUAL REPORT 2013-2014 OF JOLLY MERCHANDISE LIMITED

BOARD OF DIRECTOR

NILESHKUMAR HASMUKLAL KHATRI	- 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
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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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NOTICE

NOTICE is hereby given that the **Twenty Fourth 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 Saturday, 27th day of September, 2014 at 11:00 A. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2014 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.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED THAT subject to the provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Y. D & Co., Chartered Accountants (Firm Registration No. 018846N) be and are hereby appointed as Statutory Auditors to hold office for a term of five years subject to ratification by members at every Annual General Meeting, at such remuneration as may be determined by Board of Directors of the Company from time to time."
4. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED THAT pursuant to the provisions of Section 149, 150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, MR. NILESHKUMAR KHATRI (DIN-03174420) be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 26th September, 2019."
5. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED THAT pursuant to the provisions of Section 149, 150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, MR. DHANPAL GANDHI (DIN-05193985) be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 26th September, 2019."
6. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution, the following:
"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

**PLACE: AHMEDABAD
DATE: 25.08.2014**

**(AMISHKUMAR DANTARA)
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. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights, then such proxy for any other person or shareholder.
3. Members/ proxies are requested to bring their copies of Annual Report along with duly filed and signed attendance sheets attached with it for attending the meeting.
4. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 20th September, 2014 to 27th September, 2014.
6. M/s. Satellite Corporate Services Private Limited, having registered office at B-203, Sony Apt., Opp. St. Jude's High School, 90ft Road, Jarimari, Sakinaka, Mumbai, Maharashtra – 400 072 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.
7. Shareholders are requested to notify change of address, if any, and details of their bank account to the Registrar/Depository Participants
8. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Shareholders are therefore requested to bring their copies of the annual report at the meeting.
9. The notice of the Annual General Meeting along with the Annual Report 2013-14 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. To support the 'Green initiative', the members who have not registered their e-mail addresses are requested to register the same with Registrar/Depositories.
11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of special business of the Notice is annexed hereto.
12. In compliance with the provisions of section 108 of the Companies Act, 2013 Rule 20 of the Companies (Management and Administration) Rules, 2014 , the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

Instructions for e-voting:

Pursuant to provisions of section 108 of the Companies Act, 2013, read with Companies (Management & Administration) Rules, 2014 the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set out forth in the Notice convening the Annual General Meeting to be held on Saturday, September 27, 2014 at 11:00 A.M. The Company has engaged the services of CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) to provide e-voting facility. E-voting facility is available at the link: www.evoting.cdsl.com.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date i.e. 29th August, 2014 in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <JOLLY MERCHANDISE LIMITED> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) Above to cast vote.
- (B) The voting period begins on 22.09.2014 AT 09.00 A.M. and ends on 24.09.2014 AT 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

The Company has appointed Ms. SHUBHAM AGARAWAL, Practicing Company Secretary as the Scrutinizer for purpose of E voting to count the votes casted in favour or against the resolution proposed for all the items of the Notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the EGM of the Company and communicated to the BSE Limited.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

In terms of section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, listed company can appoint Audit Firm for a term not exceeding five years subject to ratification by members at every AGM.

The Board of Directors at its meeting held on 25.08.2014, recommended the appointment of M/s. Y. D. Co., Chartered Accountant as statutory auditors if the company for a term of five years subject to ratification by members at every AGM from the conclusion of this AGM until from the conclusion of this AGM up to next 5 years.

The Board recommends the resolution for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives is interested or concerned in the resolution set out at item No. 3.

ITEM NO. 4 & 5

Mr. Nileshkumar Khatri & Mr. Dhanpal Gandhi are Independent Directors under Clause 49 of the Listing Agreement. Upon implementation of the Companies Act, 2013, ('the Act') in the opinion of the Board, each of these persons fulfill the conditions specified in the Act and the rules made thereunder and that they are each independent of management.

In view of the above position, approval of the Members is sought to formally appoint them Independent Directors for a period of five years from the conclusion Company's Annual General Meeting to next fifth year AGM.

The Board is of opinion that it would be interest of the Company to appoint Mr. Nileshkumar Khatri & Mr. Dhanpal Gandhi as Independent Directors of the Company and Resolutions under the items No. 4 & 5 have been proposed to this end.

The Board commends the resolutions to Members for acceptance. Mr. Nileshkumar Khatri & Mr. Dhanpal Gandhi were holding office as retiring Directors and, after their appointment as Independent Directors, they shall not be liable any further to retirement by rotation and shall hold office for aforesaid fixed term of five years and could be eligible for appointment for one more consecutive term of five years.

No other Director/Key Managerial personnel or any relative of the Directors or the Key Managerial personnel have any concern or interest in the aforesaid Resolutions.

ITEM NO. 6

The Articles of Association (“AOA”) of the Company as presently in force was amended from time to time since incorporation of the Company. With the coming into force of the Companies Act, 2013 (“the Act”) several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table ‘F’ (Articles of Association meant for a Company limited by shares) of the Act.

The Board recommends the resolution for the approval of shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the Special Resolution.

**PLACE: AHMEDABAD
DATE: 25.08.2014**

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

**(AMISHKUMAR DANTARA)
CHAIRMAN**

DIRECTORS' REPORT**Dear Shareholders,**

Your Directors here by present the Twenty Fourth Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on 31st March 2014.

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. 47858/-.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 Director of the Company is retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

MR. NILESHKUMAR KHATRI (DIN: 02278750) and MR. MAYURBHAI PATEL (DIN: 05280309) Director of the Company, who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 26th September, 2019.

MR. JIMISH SONI was resigned as a Director of the Company with effect from 20.12.2013

AUDITORS AND AUDITORS' REPORT:

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Statutory Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and is 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: 25.08.2014**

**(AMISHKUMAR DANTARA)
CHAIRMAN**

Annexure to Director's Report**COMPLIANCE CERTIFICATE**

(U/s 383A of the Companies Act, 1956 & Rule 3 of the Companies (Compliance Certificate) Rules, 2001)

Corporate Identity No.: L01130GJ1990PLC014435

Nominal Capital: Rs.50000000/-

To,
The Members of **JOLLY MERCHANDISE LIMITED**
Ahmedabad

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, 2014**. 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 6 (Six) times on **30.05.2013, 02.08.2013, 30.08.2013, 05.11.2013, 20.12.2013** and **14.02.2014** 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 23.09.2013 to 30.09.2013 (both days inclusive) and necessary compliance of Section 154 of the Companies Act has been made.
6. The 23rd Annual General Meeting for the financial year ended on 31.03.2013 was held on 30.09.2013 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 declared 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. 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: 25.08.2014

[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, 2014.

E Form	Particular	Section	Challan	Date
23AC & 23ACA_XBRL	Annual Accounts of the Company as at 31st March 2013	220	Q29326899	28.02.2014
66	Compliance Certificate as on 31.03.2013	383A	Q28059830	10.01.2014
32	Change of Board of Director for 20.12.2013	303(2)	B93027217	04.01.2014
32	Change of Board of Director for 07.05.2013	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.

REPORT ON CORPORATE GOVERNANCE**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, 2014. 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 2013-14 the Board met 6 (Six) times on **30.05.2013, 02.08.2013, 30.08.2013, 05.11.2013, 20.12.2013, 14.02.2014**. 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	No. of Board Meetings		Last AGM attendance
	Held	Attended	
NILESHKUMAR KHATRI	6	6	Yes
JIMISH SONI Resigned as on 20.12.2014	6	4	No
AMISHKUMAR DANTARA	6	6	Yes
DHANPAL GANDHI	6	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 KHATRI, MR. AMISHKUMAR DANTARA and MR. DHANPAL GANDHI. MR. DHANPAL 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 **30.05.2013, 02.08.2013, 05.11.2013 and 14.02.2014** attendance of the members as under:

Name	No. of Meeting attended	
	Held	Attended
NILESHKUMAR KHATRI	4	4
JIMISH SONI Resigned as on 20.12.2014	4	3
AMISHKUMAR DANTARA	4	4
DHANPAL 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 KHATRI, MR. AMISHKUMAR DANTARA and MR. DHANPAL GANDHI.

MR. AMISHKUMAR DANTARA 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. 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.
2012-13	At Registered office of the company	30.09.2013	2.00 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.

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 partly 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 to 31st March
Date and time of Annual General Meeting	27th September, 2014 and 11:00 A.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	20.09.2014 to 27.09.2014
Listing on Stock Exchange	BSE Limited, Mumbai
Stock Code and Scrip ID	519191 (BSE) and JOLYMER
Demat ISIN No.	INE601N01010
Financial Calendar (tentative schedule):	
Unaudited Results for the quarter ending 30.06.2014	Before 15th August, 2014
Unaudited Results for the quarter ending 30.09.2014	Before 15th November, 2014
Unaudited Results for the quarter ending 31.12.2014	Before 15th February, 2015
Unaudited Results for the quarter ending 31.03.2015; or	Before 15th May, 2015
In case company take Audited Results for the Whole Financial Year.	Before 30th May, 2015

11. CATEGORIES OF SHAREOWNERS AS ON 31.03.2014:

Category	No. of Shares Held	Voting Strength (%)
Promoters	579600	12.00
Resident Individuals		
share capital up to Rs. 1 lakh	467340	9.68
share capital in excess of Rs. 1 lakh	1281300	26.53
Bodies Corporate	2407760	49.85
Others (Hindu Undivided Families)	94000	1.95
Total	4830000	100

12. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

Shares Distribution	Holders	% of Total	Total Shares	% of Total
Up to 2500	448	33.48	58000	1.20
2501 - 5000	726	54.26	349200	7.23
5001 - 10000	72	5.38	44600	0.92
10001 - 20000	1	0.07	1300	0.03
20001 - 30000	2	0.15	4200	0.09
30001 - 40000	0	0.00	0	0.00
40001 - 50000	1	0.07	4300	0.09
50001 - 100000	1	0.07	6140	0.13
100001 and above	87	6.50	4362260	90.32
Total	1338	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. AMISHKUMAR DANTARA - 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, 2014 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: 25.08.2014

**(AMISHKUMAR DANTARA)
CHAIRMAN**

CEO/CFO CERTIFICATE

To,
The Board of Director
JOLLY MERCHANDISE LIMITED
Ahmedabad

I, AMISHKUMAR DANTARA, Director 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, 2014 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, 2014.

PLACE: AHMEDABAD
DATE: 25.08.2014

(AMISHKUMAR DANTARA)
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, 2014 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: 25.08.2014

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** (the Company), which comprise the Balance Sheet as at March 31, 2014 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the [General Circular 15/2013 dated 13th September, 2013](#) of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 2014;
- 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 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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

**PLACE: LUDHIANA
DATE: 28.05.2014**

**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, 2014.

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.

(e) 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, 2014 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 47858/- 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, 2014 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: 28.05.2014

CA RAKESH PURI
PARTNER
M. No.: 092728

BALANCE SHEET AS AT 31ST MARCH, 2014			
(Amount in Rupees)			
Particulars	Notes	31.03.2014	31.03.2013
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2	48300000	48300000
(b) Reserves and Surplus	3	(17624565)	(17576707)
<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	0	3165970
<u>(4) Current Liabilities</u>			
(a) Trade Payables	5	5000	1157462
(b) Other Current Liabilities	6	0	53500
(c) Short-Term Provisions	7	11800	11800
Total Equity & Liabilities		30778665	35198455
II. ASSETS			
<u>(1) Non-Current Assets</u>			
(a) Fixed Assets	8		
(i) Gross Block		8916338	8916338
(ii) Depreciation		6167338	6167338
(iii) Net Block		2749000	2749000
(b) Non-current investments	9	14308000	14308000
(c) Long term loans and advances	10	6995451	10057117
(d) Other non-current assets	11	4990678	6330180
<u>(2) Current Assets</u>			
(a) Cash and cash equivalents	12	102770	121392
(b) Short-term loans and advances	13	1632766	1632766
Total Assets		30778665	35198455
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	AMISHKUMAR DANTARA
PARTNER/M. No. 092728		(DIRECTOR)	(DIRECTOR)
Place: Ludhiana		Place: Ahmedabad	
Date: 28.05.2014		Date: 28.05.2014	

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2014				
(Amount in Rupees)				
Sr. No	Particulars	Notes	2013-14	2012-13
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	0	7
	Other Administrative Expenses	16	45358	984218
	Total Expenses (IV)		47858	986725
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(47858)	(986725)
VI	Exceptional Items		00	00
VII	Profit before extraordinary items and tax	(V - VI)	(47858)	(986725)
VIII	Extraordinary Items		00	00
IX	Profit before tax (VII - VIII)		(47858)	(986725)
X	Tax expense		00	00
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	(47858)	(986725)
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)		(47858)	(986725)
XVI	Earning per equity share:			
	(1) Basic		00	00
	(2) Diluted		00	00

NOTES TO ACCOUNTS - 1 to 28
Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement
This is the Profit & Loss Statement referred to in our Report of even date.

For Y. D. & Co. FOR AND ON BEHALF OF THE BOARD
CHARTERED ACCOUNTANTS
 Firm Reg. No. 018846 N

(CA RAKESH PURI) NILESHKUMAR KHATRI AMISHKUMAR DANTARA
 PARTNER/M. No. 092728 (DIRECTOR) (DIRECTOR)
 Place: Ludhiana Place: Ahmedabad
 Date: 28.05.2014 Date: 28.05.2014

<u>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014</u>		
(Amount in rupees)		
	2013-14	2012-13
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra Ordinary Items	(47858)	(986725)
<u>Adjustments for</u>		
Depreciation	0	7
Preliminary Exp	0	0
Operating Profit before Working Capital Changes	(47858)	(986725)
<u>Adjustments for</u>		
Trade payable	(1152462)	986718
Cash generated from operation	(1200320)	0
Direct Taxes paid	00	00
Net cash from Operating Activities	(1200320)	0
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	(1200320)	0
Cash & Cash Equivalentents at the beginning of the year	121392	121392
Cash & Cash Equivalentents at the end of the year	102770	121392
Note: 1. Above Statements have been prepared in the indirect method. 2. Cash & Cash equivalentents represent Cash and Bank Balances only. 3. Previous Year figures have been regrouped/rearranged, wherever necessary.		
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: 28.05.2014	NILESHKUMAR KHATRI (DIRECTOR) Place: Ahmedabad Date: 28.05.2014	AMISHKUMAR DANTARA (DIRECTOR)

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014**Note 1: SIGNIFICANT ACCOUNTING POLICIES**

1. **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.
2. **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.
3. **INVESTMENT:** Raw materials, stores and all other inventories are valued at cost or market value whichever is lower.
4. **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)	(17624565)	(17576707)
	Balance brought forward from previous year	(17576707)	(16589982)
	Less: Short Prov of I.T. of Prev Year	00	00
	Less: Tax on Regular Assessment Paid	00	00
	Add: Profit for the period	(47858)	(986725)
	Total in `	(17624565)	(17576707)

Note: 4 Long Term liabilities(Others)

1	Other Payables	00	3165970
	Total in `	00	3165970

Note : 5 Trades Payable

	-Sundry Creditors for Materiel/Supplies	00	00
	-Sundry Creditors for Services/others	5000	1157462
	Total in `	5000	1157462

Note : 6 Other Current Liabilities

Sr. No	Particulars	Rs.	Rs.
		Current Year	Previous Year
	Expenses Payable	0	53500
	Total in `	0	53500

Note : 7 Short Term Provisions

1	Provision for Taxation	11800	11800
	Total in `	11800	11800

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 31.03.2014	WDV as on 31.03.2013
	Tangible Assets											
1	Building	--	4352338	0	0	4352338	4352338	0	0	4352338	0	0
2	Land	--	2549000	0	0	2549000	0	0	0	0	2549000	2549000
3	Office Premises	--	1815000	0	0	1815000	1815000	0	0	1815000	0	0
4	Trade Mark	--	200000	0	0	200000	0	0	0	0	200000	200000
	Total (Current Year)		8916338	0	0	8916338	6167338	0	0	6167338	2749000	2749000
	(Previous Year)		8916338	0	0	8916338	6167331	0	7	6167338	2749000	2749000

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 `	14308000	14308000

Note: 10 Long Term Loans and Advances

1	Loans & Advances to related parties	0	2291227
2	Other Loans & Advances	6941551	7711991
3	Deposits	53900	53900
	Total in `	6995451	10057117

Note : 11 Other Non Current Assets

1	Long Term Trade Receivables		
	a) Secured, Considered Good	00	00
	b) Unsecured, Considered Good	4990678	6330180
	c) Doubtful	00	00
	Total in	4990678	6330180

Note : 12 Cash & Cash Equivalent

Sr. No	Particulars	Rs.	Rs.
		Current Year	Previous Year
1	Cash-in-Hand Cash Balance	101607	120229
	Sub Total (A)	101607	120229
2	Bank Balance Bank Balance with Scheduled Banks	1163	1163
	Sub Total (B)	1163	1163
	Total [A+B+C]	102770	121392

Note :13 Short Terms Loans and Advances

1	Loans & Advances from related parties	00	00
2	Others Advance to Suppliers	00	00
	Advance Income Tax/Refund Due	1632766	1632766
	Total in `	1632766	1632766

Note : 14 Employment Benefit Expenses

1	Salaries, Bonus, PF & ESIC	2500	2500
2	Directors Remuneration	00	00
	Total in `	2500	2500

Note : 15 Depreciation & Amortized Cost

1	Depreciation	0	7
2	Preliminary Expenses W/O	0	0
	Total in	0	7

Note : 16 Other Expenses

1	Audit Fees	5000	5000
2	Annual Custody	12358	11798
3	Listing Fees	17500	967420
4	Misc. Exp.	10500	00
	Total in	45358	984218

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: 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: 28.05.2014

NILESHKUMAR KHATRI AMISHKUMAR DANTARA
(DIRECTOR) (DIRECTOR)
Place: Ahmedabad
Date: 28.05.2014

ATTENDANCE SLIP**JOLLY MERCHANDICE LIMITED**

304, SAFFRON TOWER, NEAR PANCHWATI CIRCLE, PANCHWATI TO AMBAWADI ROAD, AMBAWADI - 380 006,
CIN: L01130GJ1990PLC014435 E Mail: jollymerchandice@ymail.com

ANNUAL GENERAL MEETING On 27.09.2014 at 11.00 A.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 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.

✂-----Cut Here-----

PROXY FORM**Form No MGT-11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the companies (Management and Administration) Rules, 2014)

CIN	L01130GJ1990PLC014435
Name of Company	JOLLY MERCHANDICE LIMITED
Reg. Office Address	304, SAFFRON TOWER, NEAR PANCHWATI CIRCLE, PANCHWATI TO AMBAWADI ROAD, AMBAWADI, AHMEDABAD - 380 006
Name of the Member	
Registered Address	
E Mail Id	
Folio No./Client ID	

I/We, being the member (s) of JOLLY MERCHANDICE LIMITED hereby appoint

Name	
Address	
E mail Id	Signature

OR FAILING HIM

Name	
Address	
E mail Id	Signature

OR FAILING HIM

Name	
Address	
E mail Id	Signature

As my/ our Proxy to attend and vote for me/us on my/ our behalf at the Annual General Meeting of the Company to be held on 27.09.2014 at 11:00 A.m. at registered office of the company and at any adjournment thereof and respect of such resolution mentioned below:

Resolution No.	Resolution	For	Against
01	Adaption of Financial Statement for the year ended 31.03.2014		
02	Re Appointment of Mr. Amishkumar Dantara who retires by rotation		
03	Appointment of Auditor and Fix their remuneration		
04	Appointment of Mr. Nilesh Khatri as Independent Director		
05	Appointment of Mr. Dhanpal Gandhi as an Independent Director		
06	Adoption of new set of Articles of Association		

Signed on thisday of2014.

Signature of shareholder/ Signature of Proxy

Affix
Revenue
Stamp

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

To,

If undelivered, please return to:

**Reg. Office: 304, SAFFRON TOWER, NEAR PANCHWATI CIRCLE, PANCHWATI TO AMBAWADI
ROAD, AMBAWADI - 380 006, GUJARAT, INDIA**