

# **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  
E mail: [service@satellitecorporate.com](mailto:service@satellitecorporate.com)

#### **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

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**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.

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**DIRECTORS' REPORT**

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*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**

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**COMPLIANCE CERTIFICATE**

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**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.				