



AJWA FUN WORLD & RESORT LIMITED

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13TH ANNUAL REPORT 2004-2005



AJWA FUN WORLD & RESORT LIMITED



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BOARD OF DIRECTORS

RAJESH C. JAIN

DEVENDRA U. JAIN

BABUBHAI D. MAKWANA

PARESH K. PATEL

SURBHI R. JAIN

CHAIRMAN & MANAGING DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

AUDITORS

M/s. Porwal & Porwal
Chartered Accountants,
214, Marine Chambers,
11, New Marine Lines,
Mumbai-400 020

BANKERS

Bank of Baroda
Kothi Branch,
Baroda.

REGISTERED OFFICE / PARK

Ajwa Nimeta Road,
P.O. Ajwa Compound- 391 510,
Ta, Waghodia. Dist. Baroda.

CORPORATE OFFICE

'A' Tower, 1st Floor,
Kunj Resi Cum Plaza,
Palace Road, Baroda-390 001

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AJWA FUN WORLD & RESORT LIMITED

NOTICE

NOTICE is hereby given that the **Thirteenth Annual General Meeting** of the Members of **AJWA FUN WORLD & RESORT LIMITED** will be held on Friday, 30th September, 2005 at the Registered office of the Company situated at Ajwa Nimeta Road, P.O. Ajwa Compound - 391 510 Tal. Waghodia, Dist. Baroda at 10.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2005 and the Balance Sheet as at that date together with the report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Ms. Surbhi R Jain, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration.

By Order of the Board of Directors,
Ajwa Fun World & Resort Ltd.

Place : Ajwa
Date : 30th June, 2005

Rajesh C. Jain
(Chairman & Managing Director)

**NOTE/S :**

1. A Member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 26th September, 2005 to 30th September, 2005 (both days inclusive).
3. Members are requested to notify any change in their addresses directly to the Corporate office of the Company situated at "A Tower", Kunj Resi Cum Plaza, Palace Road, Baroda - 390001.

By Order of the Board of Directors,
For Ajwa Fun World & Resort Ltd.

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Rajesh C. Jain
(Chairman & Managing Director)

Place : Ajwa
Date : 30th June, 2005

**DIRECTORS' REPORT****TO
THE MEMBERS,**

Your Directors have pleasure in presenting their **Thirteenth Annual Report** together with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

(Rs. in lacs)

Particulars	2004-2005	2003-2004
Total Income	84.57	96.59
Profit/ (Loss) before depreciation & tax	(186.63)	(177.95)
Less :Depreciation	46.15	52.82
Profit/ (Loss) before tax	(232.78)	(230.77)
Net Profit / (Loss) after tax	(232.78)	(230.77)

OPERATIONS

The Company posted dismal performance particularly on account of the general recession in the entertainment industry and generally attributed to slow down in the economy as a whole. During the year under review, on a turnover of Rs. 84.57 Lacs, the Company's Net loss for the year stood at Rs.232.78 Lacs. However, your Directors are exploring opportunities for corporate restructuring and the better future prospects of the Company. Your Company is engaged in a single corporate activity and hence there are no reportable businesses or geographical segments. However the board of directors of your company is in the process of exploring the feasibility for restructuring of the corporate operations for the value additions to the share holders of the company and sustained operations in the future.

DIVIDEND

Your Board of Directors do not recommend any dividend in view of the carried over losses.

DIRECTORS

Ms.Surbhi R.Jain, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.



AUDITORS

M/s. Porwal & Porwal, Chartered Accountants, Mumbai, retire as an Auditors of the Company at the ensuing Annual General Meeting and are eligible for re-appointment and they have furnished the certificate for their eligibility as per Section 224(1B) of the Companies Act 1956.

AUDIT COMMITTEE

As required under Section 292A of the Companies Act, 1956 Audit Committee comprising Shri Paresh K. Patel, Shri Devendra U Jain and Ms. Surbhi R Jain has been formed. Audit Committee meetings were held in accordance with statutory requirements.

INDUSTRIAL RELATION

During the year under review the relation between employees and management were cordial.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO

As required by the provisions of Section 217 (1)(e) of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, the relevant data pertaining to Conservation of Energy, Technology absorption & Foreign exchange earnings and out go are furnished in the Annexure forming part of this report.

AUDITORS REPORT

Auditors observations are self explanatory and/or suitably explained in the notes on Accounts.

PARTICULARS OF EMPLOYEES

There was no employee during the year under review whose particulars are required to be given pursuant to Section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good corporate governance as an important step towards building investor confidence, improve investor's protection and maximise long term shareholder value. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a compliance report on the Corporate Governance forms part of the Annual Report along with Auditor's Certificate on its compliance.

DIRECTORS RESPONSIBILITY

Pursuant to the requirement under Section 217 (2AA) of the companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended 31st March, 2005, the applicable accounting standards have been followed along with proper explanation relating to



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material departures ;

- ii) That 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 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 the year under review ;
- iii) That 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) That the Directors have prepared the accounts for the financial year ended 31st March, 2005 on a 'going concern' basis.

VOLUNTARY DELISTING OF THE COMPANY'S EQUITY SHARES FROM CERTAIN STOCK EXCHANGES

In pursuance to the resolution passed at the last General Meeting of members of the Company held on 30th September 2004 the necessary submissions have been made to de-list the Equity Shares of your Company from the Stock Exchanges at Ahmedabad, Vadodara, & Indore. The Shares of your Company are compulsorily traded in dematerialized form. The Equity Shares continue to be traded on The Stock Exchange, Mumbai.

ACKNOWLEDGMENT

Your Directors place on record their sincere appreciation of the co-operation and assistance extended by the bankers of the Company. They also place on record their appreciation of the devoted services rendered by the Whole Time Director, Executives, Staff Members and Workers of the Company.

**By Order of the Board of Directors,
For Ajwa Fun World & Resort Ltd.**

**Rajesh C. Jain
(Chairman & Managing Director)**

Place : Ajwa

Date : 30th June, 2005.



AJWA FUN WORLD & RESORT LIMITED

ANNEXURE TO DIRECTORS REPORT

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN REPORT OF BOARD OF DIRECTORS), RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2005.

I. CONSERVATION OF ENERGY**FORM "A"**

Your Company falls out of the purview of the list of Industries which are required to furnish the necessary information in Form A.

II. Disclosure of Particulars with respect to Technology Absorption, Adaptation and Innovation (To the extent applicable)**FORM "B"**

	Current year	Previous year
1) Research & Development (R & D)	Nil	Nil
2) Technology absorption, Adaptation and innovation	Nil	Nil
III. Foreign Exchange		
Earnings	Nil	Nil
Outgo	Nil	Nil

**By Order of the Board Directors
For Ajwa Fun World & Resort Ltd.**

**Place : Ajwa
Date : 30th June, 2005**

**Rajesh C. Jain.
(Chairman & Managing Director)**



CORPORATE GOVERNANCE REPORT :

Pursuant to clause 49 of the listing agreement, a report on corporate governance is given below :

1) Company's philosophy on code of governance .

Corporate Governance deals with the laws, procedures, and practices to determine Company's ability to take managerial decisions and in particular relations with Shareholders, Customers / Suppliers and Employees. The objective of Good Corporate Governance is to enhance the long-term shareholders value and maximize interest of other Stakeholders. This in turn will lead to corporate growth and the actions of the management arising out of this Corporate Governance would create wealth for the Company as well as for Society at large.

2) Board of Directors

a) Composition

The present strength of the Board is 5 Directors. The Board comprises of executives and non-executive Directors. The non-executive Directors are 4 and 1 Director is Chairman & Managing Director.

During the year four Board meetings were held and the gap between two meetings did not exceed 4 months. The Board meetings were held on June 30, 2004, July 5, 2004, October 7, 2004 & December 10, 2004. None of the Directors on the Board is a member of more than 10 Committees & more than 5 Committees as Chairman.

The names and category of Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meetings and also the number of Directorships and Committee Memberships / Chairmanships held by them in other Companies are given below:

Sr. No.	Name of the Director/s	Executive/Non Executive/ Independent/ Promoter	No. of other Companies In which Director	No. of Committees/ Positions held in other Companies
1.	Rajesh C. Jain *	Executive & Promoter	3	2
2.	Devendra U. Jain	Non-Executive independent	2	3
3	Babubhai D. Makwana	Non-Executive independent	0	0
4	Paresh K. Patel	Non-executive independent	0	0
5	Surbhi R. Jain	Non-Executive	1	3

*Re-appointed as Chairman & Managing Director w. e .f. 25th January, 2003.



3. Information regarding Directors pursuant to part VI (A) of Clause 49 of the Listing agreement entered into with the Stock Exchanges.

a) Ms. Surbhi R Jain, a seasoned Professional, is retiring by rotation and being eligible offers herself for reappointment. Ms. Surbhi R Jain, is an Professional and has been a Director of the Company for the past several years.

Her association with the Company shall go a long way to provide the guidance in respect of various issues relating to corporate administration and hence the re-appointment is commended by the Board. No Director is deemed to be directly or indirectly interested in the appointment.

4) As per Clause 49 (I) (B) of the Listing Agreement, the Company has no pecuniary relationship or transactions with the non-executive Directors vis - a - vis the Company.

5) Audit Committee:

The Audit Committee comprises of Executive & non-executive Directors and has been set up with scope of activities as set out in 49 of the listing agreement with the Stock Exchanges read with Section 292 A of the Companies Act, 1956. The broad terms of reference are as contained in Clause 49. Statutory Auditors of the Company attend the meeting. Mr. Amjad Shaikh, is the Co-ordinator of the Committee. The Committee met during the year on June, 30, 2004, July 5, 2004, October 7, 2004 & December, 10, 2004. The attendance of the Members at the meetings is stated here in below:

Name of the Director/s	Category	No. of meetings attended during the year 2004-2005
Devendra U. Jain	Non-Executive Independent	3
Rajesh C. Jain	Executive & Promoter	3
Surbhi R. Jain	Non-Executive	3

6) Remuneration Committee :

The Company has a committee of Directors called remuneration committee with broad terms of reference covering all the key executives including Executive Directors/ Non-executive Directors and other employees to deal with 1) succession plans, appointments, placements and major proposals 2) remuneration in general 3) employees stock option schemes plans 4) personnel policies including training and Human-resources developments.

The composition of the remuneration committees and the details of the meetings attended by the