



# **AJWA FUN WORLD & RESORT LIMITED**

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**15<sup>th</sup> ANNUAL REPORT  
2006-2007**



AJWA FUN WORLD &amp; RESORT LIMITED



# AJWA FUN WORLD & RESORT LIMITED

## 15th

## ANNUAL REPORT

## 2006-2007

**BOARD OF DIRECTORS**

RAJESH C. JAIN  
GOPAL PANDYA  
BABUBHAI D. MAKWANA  
PARESH K. PATEL  
SURBHI N. KOTHARI

CHAIRMAN & MANAGING DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR

**AUDITORS**

M/s. Porwal & Porwal  
625, Laxmi Industrial Estate,  
Near SAB TV,  
New Link Road, Andheri (W)  
Mumbai.

**BANKERS**

Corporation Bank  
Dandia Bazar  
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 **Fifteenth Annual General Meeting** of the Members of **AJWA FUN WORLD & RESORT LIMITED** will be held on Saturday, 29th September, 2007 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, 2007 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 Mr. Babubhai D. Makwana, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

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By order of the Board of Directors,  
For Ajwa Fun world & Resort Ltd.

Rajesh C. Jain  
(Chairman & Managing Director)

Place : Ajwa  
Date : 30th August, 2007



**AJWA FUN WORLD & RESORT LIMITED**

**NOTE/S:**

01. 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.
02. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th September, 2007 to 29th September, 2007 ( both days inclusive).

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 August, 2007



## AJWA FUN WORLD & RESORT LIMITED

### DIRECTORS' REPORT

**TO  
THE MEMBERS,**

Your Directors have pleasure in presenting their Fifteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2007.

#### FINANCIAL RESULTS

(Rs. in lacs)

| Particulars                              | 2006-2007 | 2005-2006 |
|--|-----------|-----------|
| Income Revenue                           | 102.65    | 81.87     |
| Other Income                             | 7.78      | 156.92    |
| Profit/ (Loss) before depreciation & tax | 5.88      | 142.31    |
| Less : Depreciation                      | 34.14     | 39.68     |
| Profit/ (Loss) before tax                | (28.26)   | 102.63    |
| Net Profit / (Loss) after tax            | (29.93)   | 102.63    |

#### OPERATIONS

During the year under review the Board of Director of your Company has charted the plan and strategy to dynamically activate the operations in Entertainment and Tourism Sector on horizontal and Vertical directions.

Your Company has started taking of in performance by achieving the operational target of Rs. 102 lacs as compared to 81.87 lacs in the last year i.e. increase of 25 %. As reported in the last Directors Report the company has fully discharged the outstanding obligation to the tune of Rs. 87 lacs of Bank of Baroda and has make it self free to that extent.

During the year the company has also earned the operational surplus to the tune of Rs. 6 lacs from the construction division and the efforts have been geared up to expand the horizons of infrastucture relating to the tourism sector.

#### FUTURE BUSINESS PROSPECTS :

As reported herein above the Company has been walking on the part of progress by reviving the dismal performance in the past years. As integral part of the Tourism and Entertainment Sector the company has strategically planned out to meet with the ends of Vibrant Gujarat pioneered by Government of Gujarat in Tourism Sector. The year 2007 has been declared to celebrated as Tourism Year and in celebration thereof it is hoped to increase the flow of tourists in and around Vadodara in specific and Gujarat in general.

As a boost to the heritage treasure of Gujarat, the Honorable President of India has declared with



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notification the site of Champaner Nr. World renowned religious place of Pawagadh at a distance of just 10 kms. from Fun World site as " World heritage spot" with historical treasures and the flow of tourists have increased manifold to encourage the entertainment sector, the result of which will be tested in the years to come.

### **DIVIDEND**

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

### **DIRECTORS**

Mr. Babubhai D. Makwana, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself 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 Gopal Pandya and Mrs. Surbhi N. Kothari 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 OUTGO**

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



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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 STATEMENT

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, 2007 the applicable accounting standards have been followed along with proper explanation relating to 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, 2007 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 30<sup>th</sup> September' 2004 the necessary submission's 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 Bombay Stock Exchange Limited, 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 August, 2007



# 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, 2007.

### 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 of Directors,  
For Ajwa Fun World & Resort Ltd.

Place : Ajwa  
Date : 30th August, 2007

Rajesh C. Jain.  
(Chairman & Managing Director)





## AJWA FUN WORLD & RESORT LIMITED

### 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 Shareholders. 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 five Board meetings were held and the gap between two meetings did not exceed 4 months. The Board meetings were held on June 30, 2006, July 4, 2006, October 28, 2006, January 31, 2007 & March 30, 2007. 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 is a Director | No. of Committees/ Positions held in other Companies |
|---------|------------------------|--|--|--|
| 1.      | Rajesh C. Jain *       | Executive & Promoter                           | 4  | 2  |
| 2.      | Gopal Pandya           | Non-Executive independent                      | 1  | 1  |
| 3.      | Babubhai D. Makwana    | Non-Executive independent                      | 1  | 0  |
| 4.      | Paresh K. Patel        | Non-executive independent                      | 0  | 0  |
| 5.      | Surbhi N. Kothari      | Non-Executive independent                      | 2  | 2  |

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



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- a) Mr. Babubhai D. Makwana, is Businessman and repatriate director and has been contributing for a global exposure of the entertainment activities carried out by the company. He will be retiring by rotation at ensuring annual general meeting of members of the company and being eligible offers himself for reappointment.

His association with the Company shall go a long way to provide the guidance in respect of various issues relating to technical administration of the project and restructuring and hence the re-appointment is recommended 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 clause 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, 2006, July 20, 2006, October, 22, 2006, January 20, 2007 & March 30, 2007. The attendance of the Members at the meetings is stated here in below:

| Name of the Director | Category                  | No. of meetings attended during the year 2006-2007 |
|----------------------|---------------------------|--|
| Gopal Pandya         | Non-Executive Independent | 4  |
| Rajesh C. Jain       | Executive & Promoter      | 4  |
| Surbhi N. Kothari    | Non-Executive Independent | 4  |

### 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 Directors are given below: