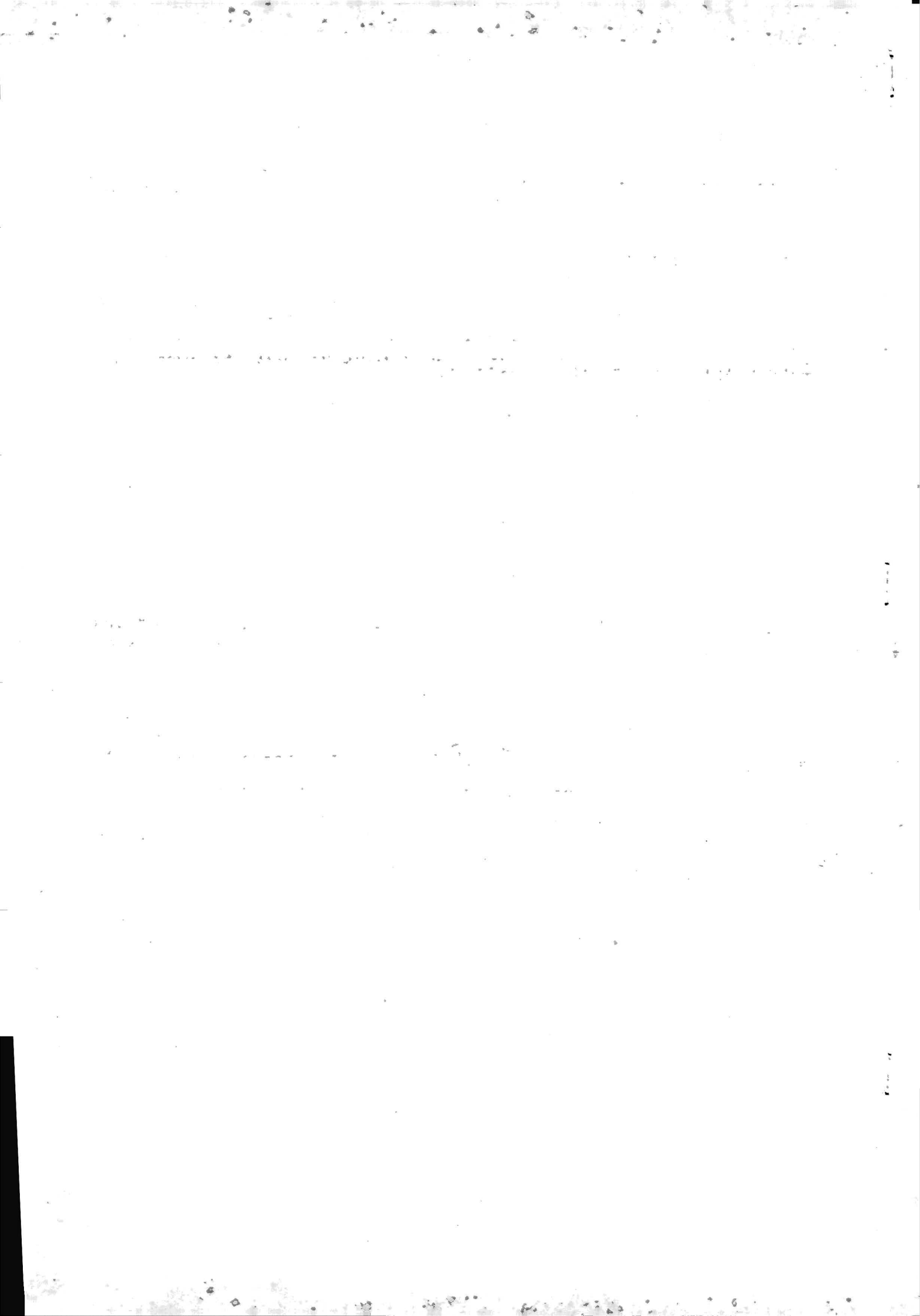


**AJWA FUN WORLD
& RESORT LTD.**

**FINANCIAL STATEMENT
FOR THE YEAR ENDED
31ST MARCH 1994.**

Managing Director
SHRI RAJESHKUMAR C. JAIN.

Auditor
M/s. R.C.DEOPURA & CO.,



DIRECTORS' REPORT :

To
The Members,
AJWA FUN WORLD AND RESORT LTD.

Your Directors have great pleasure in presenting their Second Annual Report together with the audited statement of Accounts for the year ended on 31st March, 1994.

FINANCIAL RESULTS

Since your Company's Project was in the Construction stage, during the year under review. Hence, no Profit and Loss account has been prepared for the year ended 31st March, 1994. There being no revenue operations, a statement of Net Pre-Operative Expenditure for Rs. 12,00,951/- has been presented.

OPERATIONS

During the year under review Company has almost completed its Amusement Park Project and have invested Rs.1,69,27,232/- for acquiring various assets and for meeting pre-operative expenses for the Project.

DIVIDEND

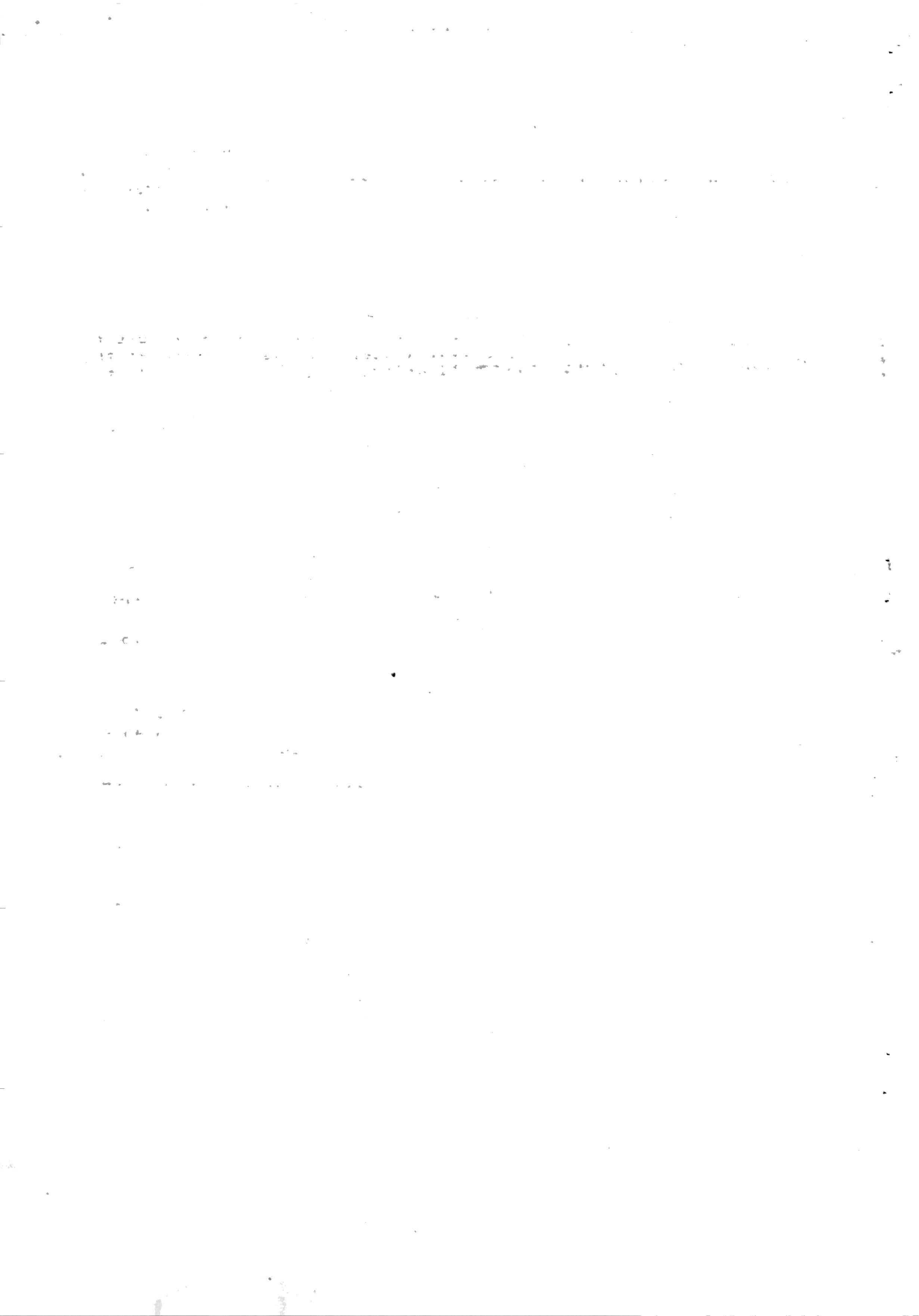
In the absence of revenue profit during the year, your directors do not propose payment of any dividend for the year under review.

EVENT AFTER BALANCE SHEET DATE & FUTURE PLANS

The Company has commenced its commercial activities on 9th April, 1994 by opening the Amusement Park for the Public near Ajwa, Baroda. The Company's Amusement Park is the First such park of its kind in Gujrat and is receiving the overwhelming response from the public. The Company proposes to add few more rides in the park in coming months for the entertainment of public at large. As the Company has commenced its commercial activities with encouraging note, your Directors are hopeful of good results in the Current Year.

The term loan application of the Company to TFCI for Rs.250/- Lacs was over delayed and as an alternate Company applied to Bank of Baroda and already received their sanction for term loan of Rs.175/- Lacs.

The Company is also planning to enter the Capital Market in near future. As you are aware, an Extra - Ordinary General Meeting is being convened to consider necessary resolutions in this behalf.



ISSUE OF NEW SHARES

During the year under review, the Company's paid-up capital has been increased from Rs.52,000/- to Rs.1,03,02,000/- by offer, issue and allotment of additional 10,25,000 Equity Shares of Rs.10/- each per cash at par. The allotment was finalised by the Board on 1st February, 1994.

DIRECTORS

During the period under review, Shri Naginbhai C Kothari., Shri Devendra Vtsavlal Jain, Smt. Bhavini Kiritkumar Patel and Shri Dhanrajji Rajmalji Jain were appointed as Additional Directors of the Company on 1st February, 1994. In terms of section 240 of the Companies Act, 1956, they hold office upto the date of the ensuing Annual General Meeting of the Company. Necessary notices pursuant Section 257 of the Companies Act, 1956 alongwith requisite deposits have been received from the members intending to propose the above persons as Directors of the Company.

Mr. Nilesh K Jain and Mrs. Vijaybala R Jain retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS

Members are requested to appoint Auditors for the Current Year and fix their remuneration. M/s. R.C.Deopura & Co., the retiring Auditors, have furnished a certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There was no employee during the year required to be reported U/S 217 (2A) of the companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO.

As required by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure forming part of this Report.

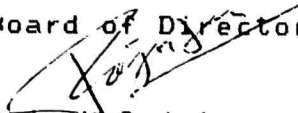
PERSONNEL

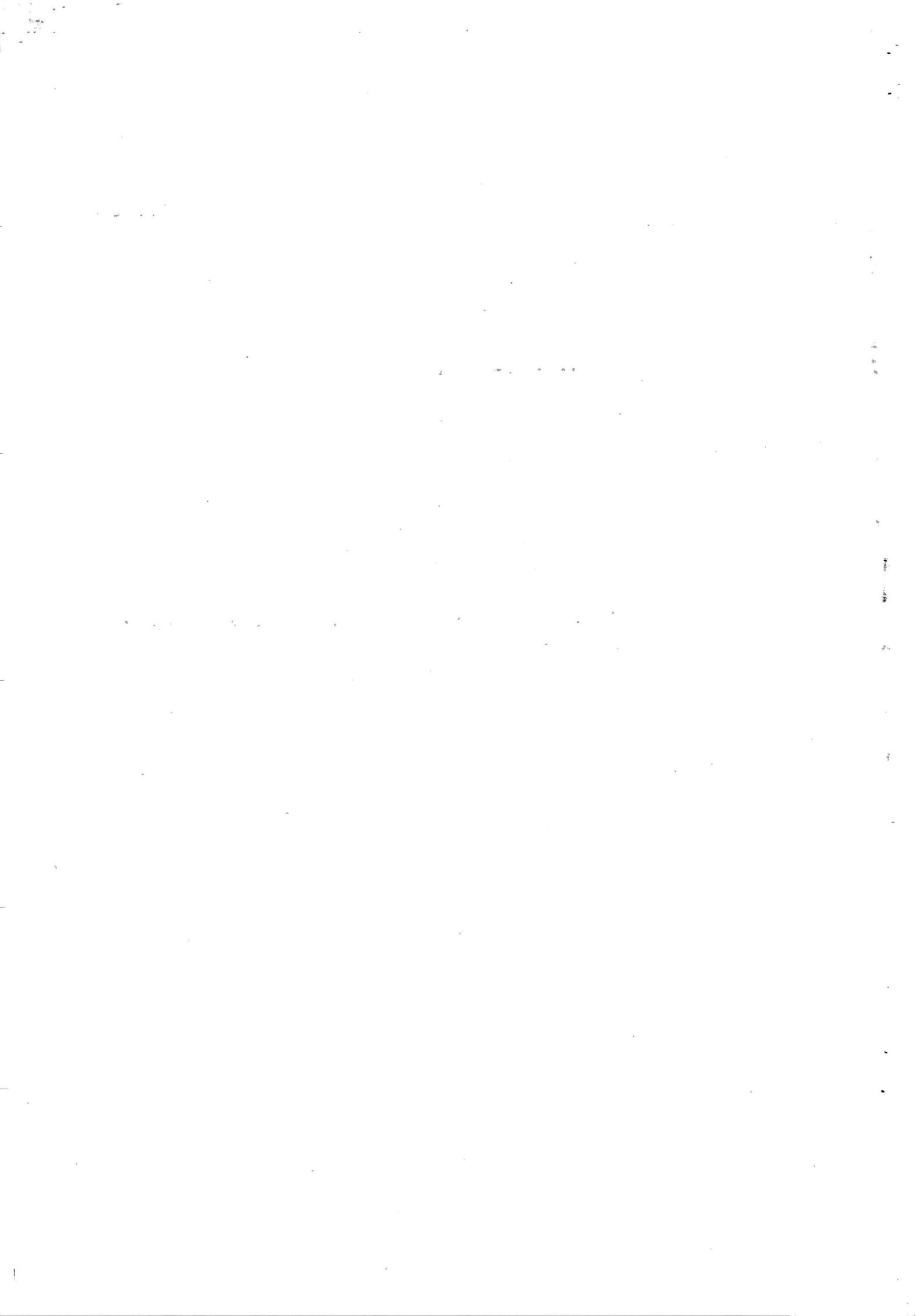
Your Directors wish to place on record their sense of appreciation of the devoted services rendered by the staff and workers of the company for its success.

By order of the Board of Directors

Place : Baroda.

Dated : 17th May, 1994.


Rajesh C Jain.
Managing Director



AJWA FUN WORLD AND RESORT LTD.

ANNEXURE TO DIRECTORS REPORT

Conservation of energy, technology Absorption and Foreign Exchange earnings and out go.

Section 217 (1) (e) of the companies Act, 1956. THE COMPANIES (Disclosure of Particulars in the Report of Board of Directors) RULES 1988.

(A) CONSERVATION OF ENERGY

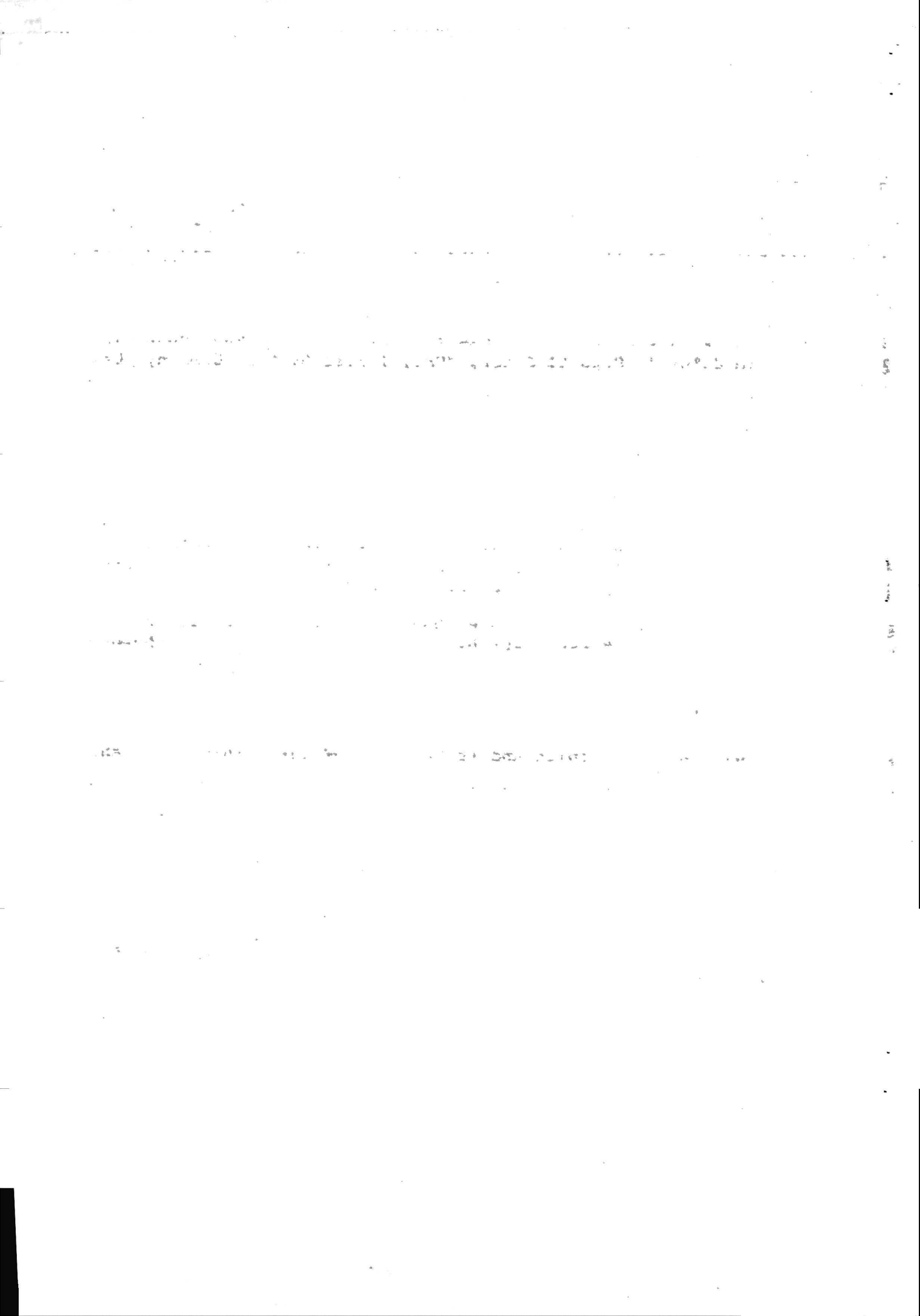
FORM "A"

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

FORM "B"

Disclosure of particulars with respect of technology absorption (To the extent applicable)

a) Research & Development (R. & D.)	Nil.	Nil.
b) Technology Absorption, Adaption and Innovation.	Nil.	Nil.
c) Foreign exchange earnings and out go.	Nil.	Nil.



AUDITORS REPORT

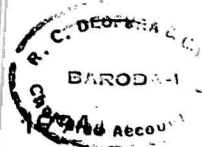
TO THE MEMBERS OF
AJWA FUN WORLD AND RESORT LTD.

We have audited the attached Balance Sheet of AJWA FUN WORLD AND RESORT LTD., as at 31st March, 1994. The Company has not carried out any revenue operations during the period under review and has therefore, not prepared a Profit & Loss Account for the year ended on that date, we report that :-

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 accounts as required by law have been kept by the Company, so far as appears from our examination of the Books of Accounts.
 - (c) The Balance Sheet referred to in this report is in agreement with the books of accounts.
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read with the notes there on and attached thereto, gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1994.

Place : Baroda.

Date : 17th May,



FOR R.C.DEOPURA & CO.
Chartered Accountants


[R.C.DEOPURA]
Proprietor



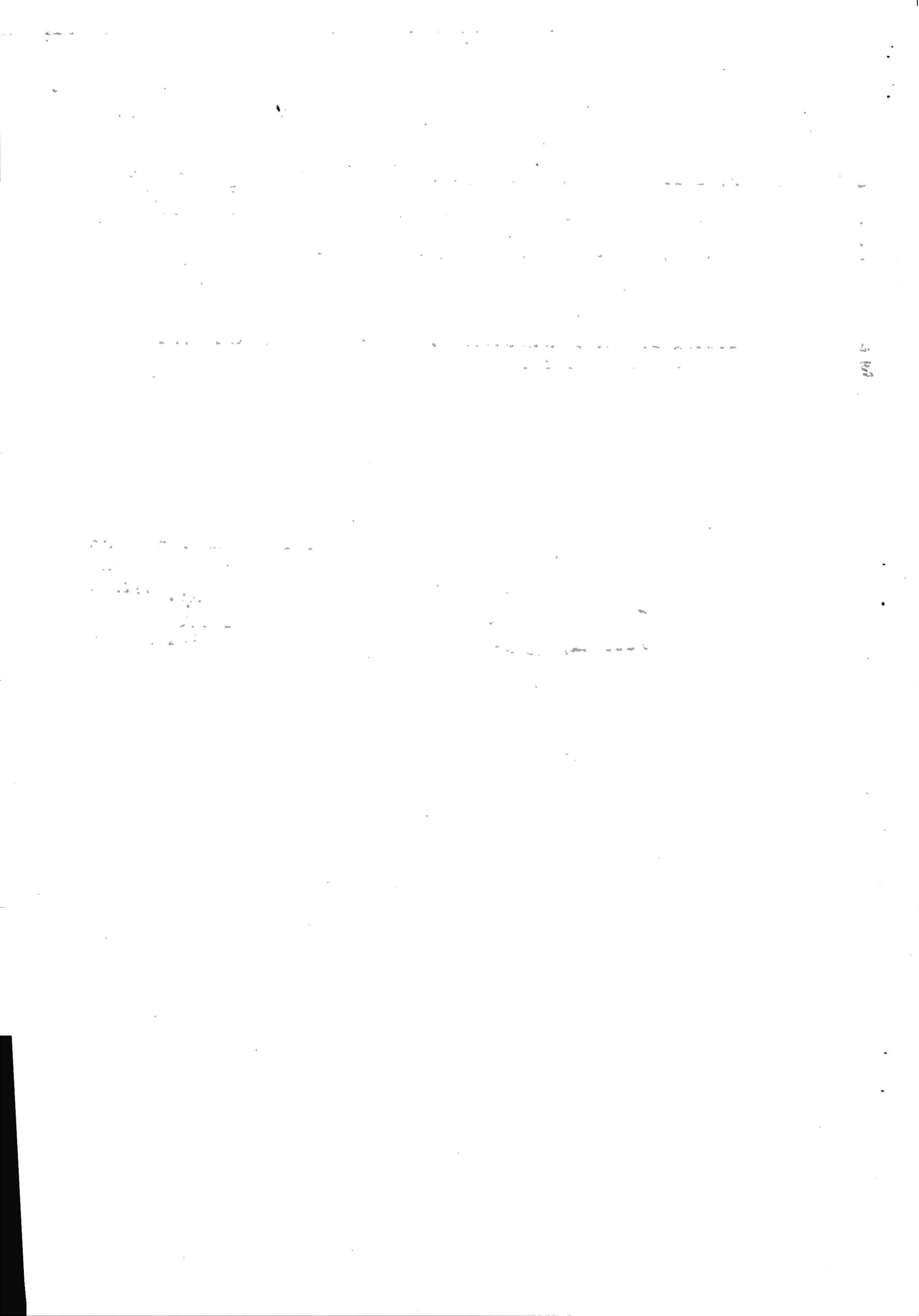
AJWA FUN WORLD AND RESORT LTD.

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN-DATE :

- 1 The Company has taken loans from the parties as listed in the register maintained u/s 301 and 370 (1-C) of the Companies Act, 1956. In our opinion, the rate of Interest and Other terms and conditions of such loans are not prejudicial to the interest of the Company.
- 2 The Company has not granted loans to the Companies under the same management as defined under sub-section (1-B) of Section 370 or the parties as listed in the Register maintained U/S 301 of the of the Companies Act, 1956.
- 3 As no loans or advances, in the nature of loans, have been given by the Company, question of repayment of principal amount and payment of interest does not arise.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plants & machinery, equipment and other assets and for the sale of services.
- 5 In our opinion and according to the information and explanations given to us, the transactions of purchases of goods, materials and services, made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956, as aggregating during the year to Rs.50,000/- or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods and services have been made with other parties.
- 6 As informed to us, the Company has not accepted any deposits within the purview of section 58 A of the Companies Act, 1956, and the rules framed there under.
- 7 As the Company is having paid-up capital less than Rs.25 Lacs at the beginning of the Financial year and also no turnover during the year, hence, it does not have an internal audit system.
- 8 As informed to us maintenance of cost records u/s 209 (1)(d) of the Companies Act, 1956, is not applicable to the Company.

R. C. DEOPURA






- 9 As informed to us, the provisions of Provident Fund Rules, and Employees' State Insurance Act, are not applicable to the Company.
- 10 According to the information and explanations given to us, no undisputed amount payable in respect of Income - Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding as at 31/3/94, for a period of more than Six months from the date they became payable.
- 11 According to the information and explanations given to us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- 12 The Company is not a sick industrial company within the meaning of section 3 (1) (O) of the sick industrial Companies (Special provisions) Act, 1985.
- 13 Since the Company is in the process of setting up the project and no commercial operations having commenced clauses 4A(i) to (vi), 4A(xii), 4A(xiv), 4B, 4C, 4D of the said Order are not applicable for the year under review.

FOR R.C. DEOPURA & CO.
Chartered Accountants

Place : Baroda.

Date : 17th May,




[R.C. DEOPURA]
Proprietor



SCHEDULE : [10] NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES :

A Basis of preparation of Financial Statements :

- 1 The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- 2 Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.

B Fixed Assets and Depreciation :

- 1 Fixed Assets are stated at cost of acquisition less accumulated depreciation.
- 2 Depreciation on fixed assets is provided on the written down value method (W.D.V.) at the rates specified in Schedule XIV to the Companies Act, 1956, as amended upto the date of the Balance Sheet.
- 3 Depreciation is provided on pro-rata basis from the date in which assets have been put to use and upto the date in which assets have been disposed.
- 4 Expenses pertaining to Fixed Assets, in respect of which work is not yet completed are kept under the head "Capital Work in Progress" and accordingly no depreciation is provided on the same.

C Investments :

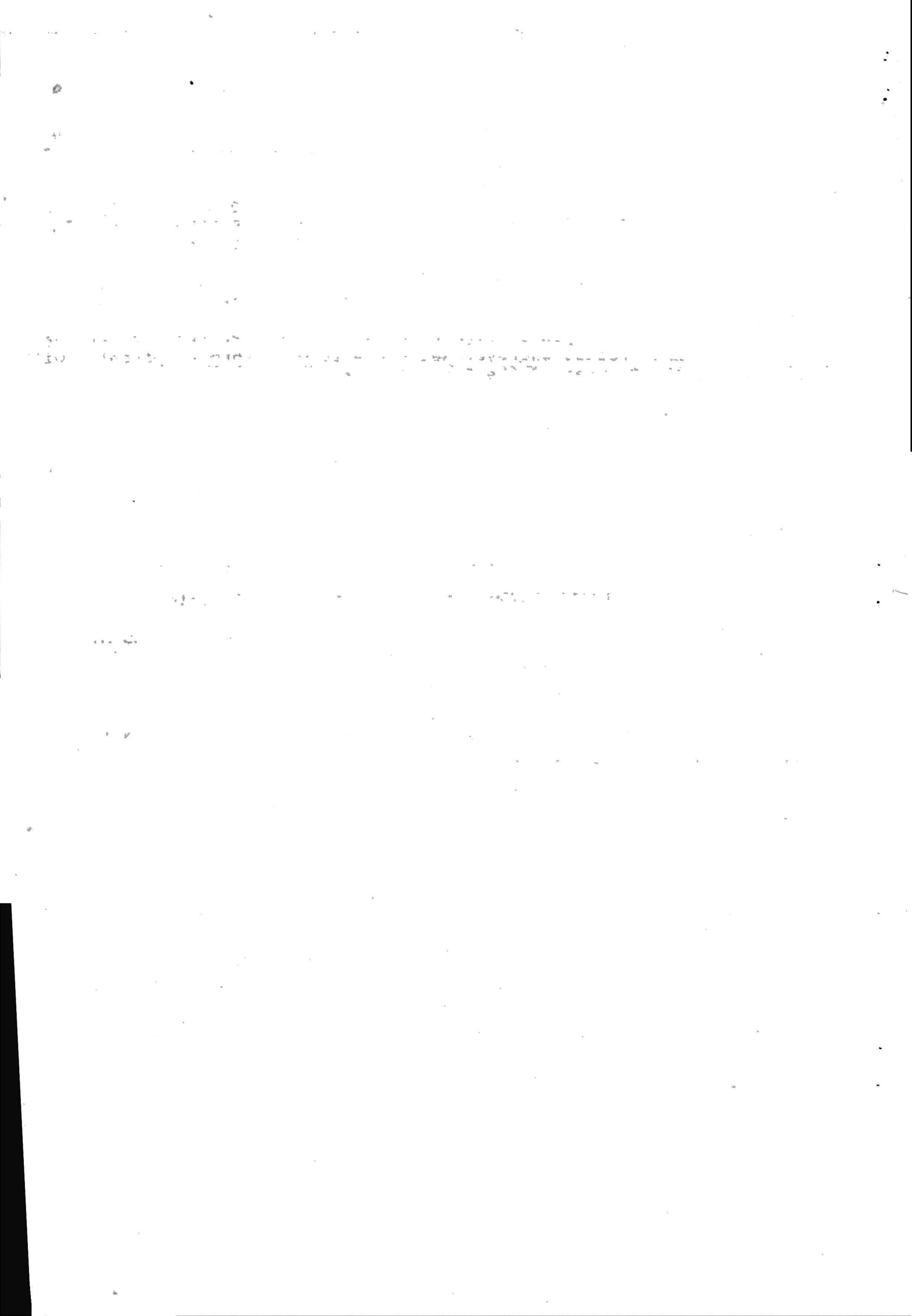
There are no Investments during the year.

D Expenditure and Income during Construction Period :

The Company is yet to commence its commercial activities. Hence all the expenses incurred during the year under review have been treated as Pre-operative Expenses Pending Allocation. These will be allocated, appropriately, to relevant Fixed Assets on commencement of commercial Activities.

- 2 Balances due to or due from parties from whom confirmations are not received are subject to adjustment on receipt of confirmations.

R. Deepak
Chartered Accountant



- 3 i Advance for Construction Rs.10,25,000/- represents Amount paid to UNIQUE CONSTRUCTION PVT. LTD., the Company under the same management.
- ii Advance for Machineries Rs.11,40,000/- represents Amount paid to APPLE AMUSEMENT INDUSTRIES., the firm in which some of the Directors are partners.
- 4 Preliminary Expenses includes Rs.6000/- paid to auditors in connection with company law services rendered by them.
- 5 Previous years' figures have been re-grouped, re-arranged and recast wherever necessary to make them comparable with the figures of the Current Year.
- 6 Figures are rounded off to the nearest Rupee.
- 7 Additional information pursuant to the provision of paragraph 3 & 4 in part II of the Schedule VI of the Companies Act, 1956.

- A LICENCE AND INSTALLED CAPACITY : Not Applicable.
- B CONSTRUCTION COMPLETED : Not Applicable.
- C RAW MATERIALS CONSUMPTION : Not Applicable.

	AS AT 31/3/94	AS AT 31/3/93
D CIF Value of Imports.	Nil	Nil
E Expenditure in Foreign Currency.:	Nil	Nil
F Earnings in Foreign Currency.	Nil	Nil
G Dividend to NRI	Nil	Nil

AS per our report *of even date* SIGNATURES TO SCHEDULES 1 TO 9
for R. C. DEOPURA
For R. Chartered Accountant

R. C. DEOPURA
R. C. DEOPURA,
PROPRIETOR

FOR AJWA FUN WORLD AND RESORT LTD.

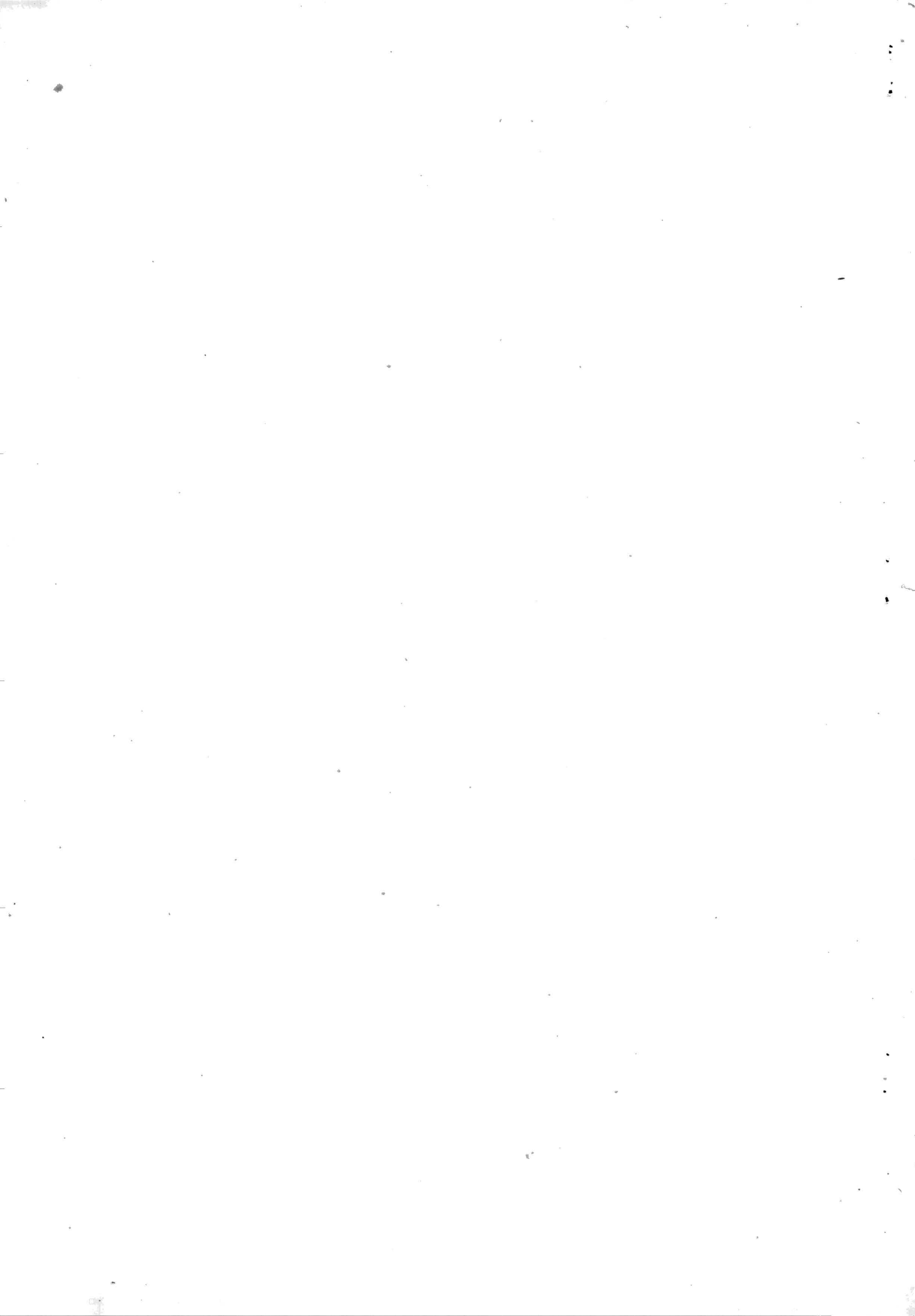
[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

Place : Baroda.

Dated : 17.5.94





AJWA FUN WORLD & RESORT LIMITED.
BALANCE SHEET AS AT 31ST MARCH 1994

PARTICULARS	SCHEDULE	AS AT 31/3/94		AS AT 31/3/93	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS :					
Share Holder's Funds :					
Share Capital.	1	10302000		52000	
Share Application Money.		2512500		50000	
Reserves & Surplus.		---	12814500	---	102000
Loan Funds :					
Secured Loans.		---		---	
Unsecured Loans: Paid Up.	2	828152	828152	345502	345502
		---		---	
TOTAL			13642652		447502
APPLICATION OF FUNDS :					
Fixed Assets :					
Gross Block.	3	10512465			
Less : Depreciation.		85506	10426959		
Capital Work in Progress.	4		2504964		120371
Pre-Operative Expenses pending allocation.	5		1266951		339659
Investments.			---		---
Current Assets, Loans & Advances :					
[A] Cash & Bank Balance.	6	117531		105607	
[B] Loans & Advances.	7	2782227		515475	
		2899758		621082	
Less : Current Liabilities & Provisions.	8	3637359	(737601)	691052	-69970
Miscellaneous Expenditure	9		181379		57442
TOTAL			13642652		447502
Notes on Accounts	10				

As per our Report of even date for M/s. R.C.Deopura & Co. Chartered Accountants

(R.C.Deopura)
 Proprietor



Place : Baroda.

Dated : 17.5.94

FOR AJWA FUN WORLD & RESORT LIMITED.

MANAGING DIRECTOR
 Place : Baroda.

DIRECTOR

Dated : 17.5.94

LAJWA FUN WORLD & RESORT LIMITED.
 SCHEDULE ANNEXED TO THE ACCOUNTS

PARTICULARS

AS AT 31/3/94

AS AT 31/3/93

Rs. Rs.

Rs. Rs.

SCHEDULE : [1] SHARE CAPITAL :

Authorised :

50,00,000 Equity Shares
 of Rs.10/- each.

50000000

(Previous Year 10,00,000 Equity Shares
 of Rs.10/- each.)

10000000

Issued, Subscribed & Paid Up :

10,30,200 Equity Shares of Rs.10/-
 each fully paid up.

10302000

(Previous year 5,200 Equity Shares
 of Rs.10/- each.)

52000

SCHEDULE : [2] UNSECURED LOANS :

from Directors.
 Resort Booking Deposits.

479469

348683

828152

345502

345502

TOTAL

828152

345502

SCHEDULE : [3] FIXED ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	AS ON	ADDITIONS	AS ON	UP TO	ADDITIONS	UP TO	AS ON	AS ON
	1/4/93	DURING	31/3/94	1/4/93	DURING	31/3/94	31/3/94	31/3/93
	THE PERIOD			THE PERIOD				
1.Land.	---	6100255	6100255	---	---	---	6100255	---
2.Machinery.	---	3021005	3021005	---	---	---	3021005	---
3.Fax Machine.	---	24500	24500	---	2334	2334	22166	---
4.Maruti Van.	---	153637	153637	---	31821	31821	121816	---
5.Kinetic Honda.	---	28200	28200	---	3220	3220	24980	---
6.Hero Honda.	---	34710	34710	---	6081	6081	28629	---
7.Furniture & Fixtures.	---	1850	1850	---	227	227	1623	---
8.Tube-Well.	---	220375	220375	---	15818	15818	204557	---
9.Metador.	---	263383	263383	---	12989	12989	250394	---
10.Tata-Mobile.	---	263945	263945	---	13016	13016	250929	---
11.Generator.	---	400605	400605	---	---	---	400605	---
TOTAL	---	10512465	10512465	---	85506	85506	10426959	---
PREVIOUS YEAR	---	---	---	---	---	---	---	---

SCHEDULE : [4] CAPITAL WORK IN PROGRESS :

For Building.

2504964

120371

R. E. Deopura & Co.



AJWA FUN WORLD & RESORT LIMITED.
SCHEDULE ANNEXED TO THE ACCOUNTS

PARTICULARS	AS AT 31/3/94		AS AT 31/3/93	
	Rs.	Rs.	Rs.	Rs.

SCHEDULE : [5] NET PRE-OPERATIVE EXPENDITURE ON IMPLEMENTATION OF PROJECT PENDING ALLOCATION :

Architect Fees.	49000		49000	
Consulting Charges for Resort.	50100		---	
Electricity Expenses.	9450		445	
Legal & Professional Fees.	32841		25646	
Office Expenses.	35308		8284	
Conveyance.	2390		1579	
Travelling Expenses.	154858		36538	
Lodging and Boarding Expenses.	13836		2734	
Printing and Stationery.	82947		60336	
Postage and Telegram.	4987		875	
Advertisement.	342301		123652	
Bank Charges.	4339		298	
Bank Interest.	24866		11736	
Petrol & Vehicle Expenses.	93741		8253	
Salary and Bonus.	74358		500	
Preliminary Expenses Written Off.	20863		6383	
Plantation Expenses.	63661		---	
Inauguration Expenses.	9013		---	
Repair & Maint. Expenses.	3085		---	
Security Expenses.	90		---	
Donation.	151		---	
Staff Welfare Expenses.	1902		---	
Medical Expenses.	789		---	
Vehicle Insurance.	10880		---	
Depreciation.	85506		---	
Documentation & Registration Charges	2120		---	
Managerial Remuneration	90000		---	
Audit Fees.				
- For Statutory Audit.	7500		1500	
- For Company Law & Other Matters	5500	1276382	1500	339659
Less : Misc. Income		9431		
TOTAL		1266951		339659

SCHEDULE : [6] CASH & BANK BALANCE :

1. Cash with Scheduled Banks;				
- In Current Accounts.				
Corporation Bank.	700		3676	
Bank of Baroda.	78232		---	
2. Cash on hand.	38599	117531	101931	105607
TOTAL		117531		105607

R. Deepur
 C. DEEPUR & CO.
 BARODA-1
 Chartered Accountants

AJWA FUN WORLD & RESORT LIMITED.
 SCHEDULE ANNEXED TO THE ACCOUNTS

PARTICULARS

AS AT 31/3/94
 Rs.

AS AT 31/3/93
 Rs.

SCHEDULE : [7] LOANS AND ADVANCES :

Advances :

- for Machinery & other Materials.	844250		
- for Building Construction.	1180602		
- for Land.			
- to Consultants.	118000		
- for Rides.	500000		
- to Staff.	10000		
		2652852	

	75000		
	349100		
	10000		434100

Deposits :

- with various agencies.

	129375	129375	
		2782227	

	81375	81375	
			515475

TOTAL

SCHEDULE : [8] CURRENT LIABILITIES & PROVISIONS :

CURRENT LIABILITIES
 Sundry Creditors.
 Corporation Bank
 (Account Overdrawn)
 T.D.S. Payable.

	3427082		
	25427		
	37532	3490041	
		3490041	

	130313		
	557739		
			688052

SUB-TOTAL

PROVISIONS :
 Provision for Expenses.

	147318	147318	
		147318	
		3637359	

	3000	3000	
			3000
			691052

SUB-TOTAL

TOTAL

SCHEDULE : [9] MISCELLANEOUS EXPENDITURE :
 (to the extent not written off/adjusted)

Preliminary Exps.
 Balance as per last Balance Sheet.
 Add : Addition during the year.
 Less : 1/10th Written off during the year.

	57442		
	144800		
	202242		
	20863		
		181379	
		181379	

	63825		
	63825		
	6383		
			57442
			57442

TOTAL

R. C. DEOPURA



