



**NOTICE:-**

**NOTICE** is hereby given that the Twentieth **Annual General Meeting** of the Members of **AJWA FUN WORLD and RESORT LIMITED** will be held on Saturday, 29th September, 2012 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 consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date together with the report of the Directors and the Auditors thereon.
2. To appoint Mrs. Kalindi Patel who retires by rotation and has offered herself for re-appointment.
3. To appoint Mr Pradhyuman Pandya who retires by rotation and has offered himself for re-appointment.
4. "RESOLVED THAT the resignation of Mr. Babulal Makwana, Director of the Company, be and is hereby accepted with effect from the 30th day of the September 2012.
5. "RESOLVED THAT the resignation of Mr. Paresh Patel, Director of the Company, be and is hereby accepted with effect from the 30th day of the September 2012.
6. To Reappoint Auditors and fix their remuneration.  
"RESOLVED THAT M/s Porwal and Porwal, Chartered Accountants , (Registration No. 118727W),MUMBAI be and are hereby appointed as Auditors of the Company, to hold office from the Conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors"

By order of the Board of Directors,

For AJWA FUN WORLD and RESORT LIMITED  
Managing Director

Date: 29<sup>th</sup> August' 2012





## AJWA FUN WORLD & RESORT LIMITED [F.Y.-2011-2012]

### NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting"), is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2012 to 29th September, 2012 (both days inclusive).
3. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to M.C.S. Ltd. Vadodara for consolidation into a single folio.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s M.C.S. Ltd. Vadodara
5. Non Resident Indian Members are requested to inform M.C. S. Ltd. Vadodara Immediately of:
  - a) Change in their residential status on return to India for Permanent Settlement.
  - b) Particular of their bank account maintained in India with complete name, branch, account type , account number and address of the bank with pin code number, if not furnished earlier



By order of the Board of Directors,

  
Rajesh C. Jain

Chairman and Managing Director

Place: Ajwa

Date: 29<sup>th</sup> August' 2012



**DIRECTORS' REPORT**

**TO  
THE MEMBERS,  
M/S AJWA FUN WORLD and RESORTS LIMITED  
VADODARA**

Your Directors have pleasure in presenting their Twentieth Annual Report together with the Audited Accounts for the year ended 31st March, 2012.

<b>FINANCIAL RESULTS</b>		(Rs. in lacs)
Particulars	2011-12	2010-11
Income- Revenue	376.23	364.28
OTHER INCOME	9.61	08.44
Profit/ (Loss) before depreciation and tax	87.55	96.55
Less: Depreciation	50.69	44.64
Profit/ (Loss) before tax	36.86	51.91
Net Profit / (Loss) after tax	36.86	51.91

**OPERATIONS**

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

You will be happy to know that as us company has started growing in its operation substantially and the scale of activities have increased since your company is in expansion mode.

Almost all other revenue generation areas i.e. Food and Beverages, Income from other recreational facilities, Branding and Sponsorships, Rental and Merchandising have shown good improvement compared to same period as that of last year.

As you have been apprised in previous annual reports, the visionary and ambitious Board of Directors under the leadership of MR RAJESH JAIN, The Chairman and Managing Director had successfully commenced the operations in infrastructure and construction of the complexes in INDORE and it is a pleasure to report that the company has earned a respectable sum of profitability from the part of the operations of the project which has contributed in cutting the accumulated loss position. The Board of Directors are determined to put the company on the success and profitable tracks to reward the members for their investment and trust reposed in the management.





**FUTURE PLANS AND PROSPECTS:**

Many amusement park projects for turnkey contracts are in under discussion and negotiation and barring unforeseen circumstances, prospect of project business is good in the future. With aggressive marketing schemes, good number of booking for events and with an emphasis on increasing Food and Beverage sales, barring any unforeseen circumstances, your company looks to the future with confidence.

**FUTURE BUSINESS PROSPECTS:**

The process of restructuring with new clothes is in advance stage and the activities during the year will stabilize the profit earnings The Board of Directors of your company has charted the plan to undertake the diversified projects of construction in VADODARA, an industrially developed city, after completing the legal issues near the entertainment park and other pivotal areas. As an inbuilt policy of the dynamism and pragmatism, Your Company has laid down the plan to explore the opportunity.

Your company is above in advance stage of articulation of a Spa and Resort with ultra modern amenities and beatification engraved with banquet hall, Marriage Party Hall, Swimming Pool and SPA at Ajwa.

**DIVIDEND**

Your Board of Directors do not recommend any dividend in view that your company is in need of money for its future expansion and development. However, the Board of Directors of your company are determined to reward the members by increasing the worth of your company in future with value additions to the investment of shareholders of the company.

**DIRECTORS**

Mrs. Kalindi Patel and Mr Pradhyuman Pandya Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer him for re-appointment.

Mr. Babulal Makawana and Mr. Paresh Patel, Director of the Company are resigning their possession as Director with effect from 30<sup>th</sup> day of September 2012, and Company accept their resignation.

**AUDITORS**

M/s. Porwal and Porwal, Chartered Accountants, Mumbai, retire as 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 Mr. Rahil R. Jain, Mrs. Surbhi N.Kothari and Mr. Pradyuman Pandya has been formed. Audit Committee meetings were held in accordance with statutory requirements to review critically the financial statements and information to be transmitted to the stakeholders. .

## **INDUSTRIAL RELATION**

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

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

Your Company maintains an eco-friendly environment and continuously works hard towards conservation of energy by adhering to strict norms. Your Company is undertaking various projects towards conservation and recycling of water. Your Company's triple bottom line approach on economic, environmental and social returns had made the Company more environment conscious and it is now committed towards minimizing its carbon foot-print and green house effects.

Further, 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 and Foreign exchange earnings and Out-go are furnished in the annexure forming part of this report.

## **AUDITORS REPORT**

Auditor's 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 maximize 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 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, 2012 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, 2012 on a 'going concern' basis.

## **ACKNOWLEDGEMENT**

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 Executives, Staff Members and Workers of the Company.

**By order of the Board of Directors,**



**Rajesh C. Jain**

**Chairman and Managing Director**

Place: Ajwa, Baroda

Date: 29th August' 2012



**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, 2012.**

**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.

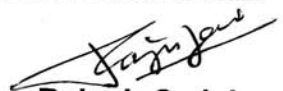
**II. Disclosure of Particulars with respect to Technology Absorption, Adaptation and Innovation (To the extent applicable)**

**FORM "B"**

	Current year	previous year
1) Research and Development (R and 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 and Resort Ltd.**



**Rajesh C. Jain  
Chairman and Managing Director**

**Place: Ajwa, Baroda  
Date: 29<sup>th</sup> August' 2012**



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INTRODUCTION**

M/S AJWA FUNWORLD and RESORTS LTD incorporated on 16.09.92 is engaged in the business of ENTERTAINMENT Sector by installing the facilities of RIDES and other entertainment devices at its PARK near VADODARA with the resumption of the operation of WATER PARK. The company has diversified into the infrastructure projects, construction of complexes also.

### **FORWARD LOOKING STATEMENTS**

*The report contains forward-looking statements identified by words like 'plans', 'expects', 'will', 'believes', 'Projects', 'estimates' and so on. All statements that address expectation or projection about the future, but not limited to the Company's strategy for growth, Market position, expenditure and financial results are forward-looking statements. Since these are based on certain assumptions and expectation of future events, the company cannot give guarantee that these are accurate or will be realised.*

### **BUSINESS REVIEW**

During the long span of its corporate existence, attributing to the uneconomical operations in the entertainment sector, recessionary trend, the company was incurring losses.

As an integral restructuring exercise by the visionary approach of your Board of Directors, the company had embarked upon the undertaking of INFRASTRUCTURE PROJECTS in INDORE an Industrial Hub in M.P, which shall lead the company to a profitable position in years to come. The Board of Directors of your company have charted the visionary planed to fasten the Infrastructure and construction activities in ever growing VADODARA CITY to grab the opportunity increase in demand.

### **CAUTIONARY STATEMENTS**

Statement in the MANAGEMENT DISCUSSION AND ANALYSIS describing the company's objectives, projections, claims, disclaims, estimates, achievements are forward looking statements and progressive within the meaning of applicable security laws ,and regulations .Actual results may vary from these expressed or implied depending on the economic conditions, global recessionary trends Governmental policies, cost inflations, crude oil price movements and all other incidental factors affecting the performance of your company.







## 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 Composition

The present strength of the Board is 5 Directors. The Board comprises of executives and non-executive Directors. There are 3 Non Executive Directors and 2 Executive Directors namely the Chairman Cum Managing Director & Executive 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 25, 2011, August 31, 2011, September 21, 2011, December 16, 2011 and March 30 2012. None of the Directors on the Board is a member of more than 10 Committees and 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	Executive/Non Executive/Independent Promoters	No of other Companies	No of Committees Position held in other Companies	Attendance in Board meeting
1	Rajesh Jain	Executive & Promoter	4	3	5
2	Pradhyuman Pandya	Non Executive Independent	1	3	5
3	Surbhi Kothari	Non Executive Independent	1	2	5
4	Kalindi Patel	Non Executive Independent	2	3	5
5	Rahil Jain	Executive	3	3	5





## AJWA FUN WORLD & RESORT LIMITED [F.Y.-2011-2012]

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

Mrs. Kalindi Patel is engrossed in business as a director and has been contributing for a global exposure of the entertainment activities carried out by the company an also guiding and coordinating the diversified project activities into the infrastructure segment. She will be retiring by rotation at the ensuing Annual General Meeting of members of the company and being eligible offers herself for reappointment

Mr Pardhyuman Pandya the retiring director is also engrossed in the supervision of the infrastructure projects and planning at Indore. 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 diversified Infra Project at Indore and restructuring and hence the re-appointment is recommended by the Board. He is eligible and thus offers himself for reappointment.

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 and 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 292A 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. PARESH VYAS is the coordinator of the Committee. The Committee met during the year on June, 28, 2011, July 26, 2011, September 27, 2011, December 28, 2011, February 25, 2011 and March 31 2012. The attendance of the Members at the meetings is stated here in below:

Name of Director	Category	No. of meetings Attended During the year 2011-12
Pradyuman Pandya	Non-Executive Independent	3
Rajesh C Jain	Executive and Promoter	4
Surbhi N Kothari	Non-Executive	4
Mrs. Kalindi Patel	Non Executive Non Promoter	4





**6) Remuneration Committee:**

The Company has no pecuniary relationship or transaction with his non executive directors including sitting fees for attending board meetings.

Details of Remuneration paid to the Directors:

Name	Salary, Perquisites and others
Rajesh C. Jain	Rs. 6,50,000/- p.a.
Rahil R. Jain	Rs. 4,30,000/- p.a.

The Directors have decided not to receive the sitting fees in view of the financial position of the Company.

**7) The Shareholders and Investor Grievance Committee:**

The investors/shareholders grievance committee comprises executive and non executive Directors. The composition and the attendance of each members of the Committee at the meeting are as follows:

Sr No.	Name of the Committee Members	Executive/ Non-Executive/ Independent/ Promoter	Meeting Details	
			Attended	% of Total
1.	Rajesh C Jain	Executive	12	100%
2.	Surbhi N Kothari	Non-Executive Independent	12	100%
3.	Pradyuman Pandya	Non-Executive Independent	12	100%

The Share holders and investor grievance committee meetings were held during the year 2011-2012 on 21/04/11 26/05/11 23/06/11, 28/07/11, 24/08/11, 19/09/11, 26/10/11, 29/11/11, 22/12/11, 30/01/12, 27/02/12 and 31/03/12.

All the complaints received from the Shareholders have been attended for redressed and the actions have been taken in relation to the grievances of the investors.





## AJWA FUN WORLD & RESORT LIMITED [F.Y.-2011-2012]

### 8). General Body meetings:

Date of AGM	Locations
30/09/2008	At the Registered office of the Company
30/09/2009	At the Registered office of the Company
30/09/2010	At the Registered office of the Company
30/09/2011	At the Registered office of the Company

\* No special Resolution was put through postal ballot during the previous year.

### 9) Disclosures:

Disclosures of related party transactions as required by the Accounting Standard 18 have been given in the Note No. 2 of Schedule No. 7, attached to the Accounts. There are no material significant transactions with its promoters, as a Director or the management or relatives or subsidiaries that may have potential conflicts with the interest of the Company.

There is no non-compliance by the Company except the circumstantial delay caused in submission of the periodical listing requirements, and no penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital market during the last 3 years.

### 10) Means of Communications:

- |                                                                                             |                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Date on which half yearly results were Sent to the share holders.                        | The results of the Company is Published in the news Paper                                                                                                                                                                       |
| 2. News papers in which Quarterly Results were published.                                   | ----                                                                                                                                                                                                                            |
| 3. Any website were displayed                                                               | <a href="http://www.ajwaworld.com">www.ajwaworld.com</a><br>The Company is planning to Furnish share holding patterns, financial results on SEBI Website.<br><br><a href="http://www.sebidifar.nic.in">www.sebidifar.nic.in</a> |
| 4. Whether the Company displays the Official News releases?                                 | No                                                                                                                                                                                                                              |
| 5. Whether the management discussion And analysis report forms a part of the Annual Report. | Yes                                                                                                                                                                                                                             |





## AJWA FUN WORLD & RESORT LIMITED [F.Y.-2011-2012]

### 11) General Shareholders Information:

Sr. No.	Particulars	Date
1.	Annual General Meeting	September, 29, 2012.
2.	Dates of Book-closure	24.9.2012 to 29.09.2012(Both days inclusive)
3.	Record Date	-
4.	Dividend Payment date	N.A.
5.	Listed on Stock Exchanges	Mumbai
6.	Stock Code	526628 - BSE
7.	ISIN No.	CDSL- INE863E01015

\* The Requisite submissions have been made for de-listing of Equity Shares and the processes are already underway.

**Address for communication:** Corporate Office:  
Managing Director  
Ajwa Fun World and Resort Limited  
'A' Tower, 1st Floor, Kunj Resi cum Plaza,  
Palace Road, Baroda- 390 001  
Phone No. 0265-2434864/6545891,  
Fax No. 0265-2415579  
Email ID: accounts@ajwaworld.com

### Registrar and Transfer Agent:

MCS Limited  
Neelam Apartment,  
88, Sampat Rao Colony,  
Above Chappan Bhog, Alkapuri, Baroda - 390 007.  
Telephone No/s.:0265-2339397, Fax No.:0265-  
2341639  
E-MAIL: mcsbaroda@yahoo.com

**Share Transfer System:** All transfer requests received are processed and approved by an authorized officer/compliance officer of the Company after a careful scrutiny of the same for transfer or rejection, as the case may be.

Shareholders holding their Shares in electronic mode are advised to address all correspondence to their respective depository participants. As on date no complaints received are pending for redressal and the Company ensures to attend to the Complaints within the period notified by the SEBI guidelines.

Park Location: Ajwa Nimeta Road,  
P.O.Ajwa Compound –  
Ta.Waghodia, Dist. Baroda. 391510.





## AJWA FUN WORLD & RESORT LIMITED [F.Y.-2011-2012]

### 12) Distribution of Share holding as on March 31, 2012

Range	shares	folios	percent shares	percent holder
01-500	918600	4968	14.3448	86.4451
501-1000	302000	375	4.7278	6.5251
1001-2000	219500	147	3.4363	2.5579
2001-3000	182700	73	2.8602	1.2702
3001-4000	76600	22	1.1992	0.3828
4001-5000	213600	44	3.3439	0.7656
5001-10000	357900	48	5.6030	0.8352
10001-50000	1148400	52	17.9783	0.9048
50001-100000	501600	8	7.8526	0.1392
And Above				
100000	2469100	10	38.6540	0.1740
<b>Total</b>	<b>63,90,000</b>	<b>5747</b>	<b>100.0000</b>	<b>100.0000</b>

### 13) Shareholding pattern as on March 31, 2012. –

Total Nominal value: Rs.6, 39, 00,000/-  
Nominal Value of each Shares: Rs.10/-

Total No. of Shares: 6390000  
Paid up Value of each Shares Rs.10/-

Category	No. of Shares	% of Shareholding
Indian Promoters	2778400	43.48
Mutual Funds and UTI	Nil	Nil
FII's	Nil	Nil
Banks and Financial Institution	Nil	Nil
Corporate Bodies	125900	1.97
Indian Public	3485700	54.55
NRIs/OCBs	Nil	Nil
Non Resident Company	Nil	Nil
Clearing Members	Nil	Nil
<b>Total</b>	<b>63,90,000</b>	<b>100 %</b>

### 14) Market Price data High and Low during each Month for financial Year 2011-12. (In Rs.)

Month	High	Low
Jan' 12	-	7.63
Dec.'11	14.5	

The Shares of the Company are not listed at the National Stock Exchange Limited.





**Dematerialization of shares as on 31st March, 2012 and Liquidity.**

The Company's Shares are compulsorily traded in Dematerialized form and are available for trading on Central Depository Services (I) Limited (CDSL). 10,63,600 equity shares of the Company representing 16.64% of the Company's shares Capital are dematerialized as on 31st March, 2012. The submissions and representations are initiated to get the script admitted on NSDL.

**Secretarial Audit**

A Practicing Company Secretary carried out a secretarial audit with observations to reconcile total admitted capital with Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued and paid up share capital is in agreement with the total number of shares in physical form and the total no. of dematerialized shares held in CDSL.

**Plant Location**

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

Address for  
Correspondence

**Registered Office**

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

**Corporate Office**

"A" Tower, First Floor,  
Kunj Resi-Cum-Plaza,  
Palace Road,  
Baroda - 390 001  
Tele No. 0265- 2434864  
Fax No. 0265-2415579  
E-MAIL: accounts@ajwaworld.com

PLACE: AJWA, Baroda  
DATE : 29<sup>th</sup> August' 12

**For and on behalf of the Board of Directors,**



  
**Rajesh C. Jain**  
Chairman and Managing Director

**Chairman and Managing Director**

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of **AJWA FUN WORLD & RESORT LIMITED** as at 31<sup>st</sup> March 2012, the Profit & Loss Account for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. 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.
3. 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 the books of the company.
4. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Account.
- 5
  - i) Provision for Gratuity & Leave Encashment, in accordance with Accounting Standard – 15, is not made in the accounts.
  - ii) Segment Reporting in accordance with Accounting Standard – 17, has not been made in accounts.





- iii) Subject to the foregoing, in our opinion, the Balance Sheet and Profit & Loss Account dealt with in this report comply with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
6. On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
7. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the notes thereon, give the information required under the Companies Act, 1956 in the manner so required and give a true and fair view:
- (a) In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2012; and
- (b) In the case of the Profit & Loss Account of the Profit for the year ended on that date.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section 4A of section 227 of The Companies Act, 1956 and on the basis of such checks as we considered appropriate, we further report that:

- (i) (a) In respect of fixed assets, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year. We have been informed that no serious discrepancies were noticed on such verification.
- (c) In our opinion, the company has not disposed of substantial part of the fixed assets during the year.
- (ii) (a) In our opinion the stocks of the stores, eatables & beverages, spare parts etc. have been physically verified by the management at reasonable intervals.



- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the discrepancies noticed on verification, which were not material, have been properly dealt within the books of account.
- (iii) (a) The Company has taken interest-free unsecured loans from two parties covered in the register maintained u/s.301 of the Companies Act, 1956 and the year end balance was Rs. 2,95,38,195/-. The Company has granted interest free unsecured loan to one party covered in register maintained u/s. 301 of the Companies Act, 1956 and the year end balance was Rs. 4,12,894/-.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken / granted from the parties listed in the register maintained u/s.301 of the Companies Act are not, prima facie, prejudicial to the interest of the company.
- (c) In respect of interest – free loans taken/granted by the company, principal amount is repayable on demand.
- (d) There are no overdue amounts of loans taken/granted by the company as these loans are repayable on demand
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal procedures commensurate with the size of the Company and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have not come across any instance of major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanation given to us, the transactions that need to entered into the register maintained u/s.301 of the Companies Act, 1956 have been so entered.



- (b) In our opinion and according to the information given to us, there are no transactions in pursuance of the contract or arrangements entered in the register maintained u/s.301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000 or more.
- (vi) As per the information and explanations given to us, the company has not accepted deposits from public and has not complied with any of the directives issued by the Reserve Bank of India and the provisions of Section 58AA of the act and the rules framed there under in respect of such deposits.
- (vii) The Company does not have any internal audit system.
- (viii) This clause is not applicable as the Company is not a manufacturing Company.
- (ix) (a) According to the records of the Company and the information and explanations given to us, detail of dues of Sales tax, Income tax, Custom tax, Wealth tax, Excise duty and Cess which have not been deposited as on 31<sup>st</sup> March 2012 on account of any dispute are given below :

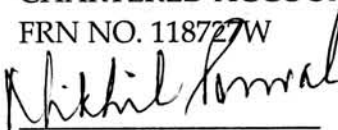
<u>Name of the statute</u>	<u>Nature of dues</u>	<u>Period of which amount relates</u>	<u>Amount</u>	<u>Forum where Dispute pending</u>
Gujarat Electricity Board	Installation Charges & Interest	01.04.97 to 31.03.98	195070	Gujarat Electricity Board
The commissioner of Entertainment Tax	Entertainment Tax	01.01.2002 to 31.03.2005	2988583	Collectors office Vadodara

- (x) The accumulated losses at the end of the financial year are more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year.
- (xi) In our opinion and according to information and explanation given to us, the company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions clauses 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions which are prejudicial to the interest of the Company.
- (xvi) This clause is not applicable as the Company has not obtained any loans in the nature of term loan, during the financial year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term assets and no long term loans have been used to finance short term assets.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) This clause is not applicable as the Company has not issued any debentures.
- (xx) During the period covered by our report, the Company has not raised any money by way of a public issue.
- (xxi) To the best of our knowledge and belief and according to the information and explanations give to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **PORWAL & PORWAL**  
CHARTERED ACCOUNTANTS  
FRN NO. 118727W





**N.N. PORWAL**  
PARTNER  
M.NO. 49610  
Place: Mumbai  
Date: 29th August' 2012

**AJWA FUN WORLD & RESORT LIMITED**

**Balance Sheet as at 31st MARCH, 2012**

Sr. No.	Particulars	Note No.	31st March 2012 (Rs.)	31st March 2011 (Rs.)
<b>I.</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
(1)	<b>Shareholders' funds</b>			
	(a) Share capital	3	63,900,000	63,900,000
	(b) Reserves and surplus	4	(47,075,939)	(50,762,362)
			<b>16,824,061</b>	<b>13,137,638</b>
(2)	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	47,424,750	61,294,671
			<b>47,424,750</b>	<b>61,294,671</b>
(3)	<b>Current liabilities</b>			
	(a) Trade payables	6	42,021,187	34,190,431
	(b) Other current liabilities	7	205,812	160,291
	(c) Short-term provisions	8	2,311,037	1,633,593
			<b>44,538,036</b>	<b>35,984,315</b>
	<b>TOTAL</b>		<b>108,786,847</b>	<b>110,416,624</b>
<b>II.</b>	<b><u>ASSETS</u></b>			
(1)	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	9	45,190,312	47,393,841
	(ii) Capital work-in-progress	9	15,515,618	1,607,795
	(b) Non-current investments	10	-	950,000
			<b>60,705,930</b>	<b>49,951,636</b>
(2)	<b>Current assets</b>			
	(a) Inventories	11	6,894,471	8,971,837
	(b) Trade receivables	12	15,225,778	7,763,953
	(c) Cash and cash equivalents	13	8,561,665	11,702,659
	(d) Short-term loans and advances	14	17,399,003	31,608,340
	(e) Miscellaneous Expenditure	15	-	418,199
			<b>48,080,917</b>	<b>60,464,988</b>
	<b>TOTAL</b>		<b>108,786,847</b>	<b>110,416,624</b>

See accompanying notes to the financial statements

2

As per our Report of even date  
For M/s.PORWAL & PORWAL  
CHARTERED ACCOUNTANTS  
FRN. 118727W

NIKHIL PORWAL  
PARTNER  
049610



For & on behalf of the Board of Directors

RAJESH C. JAIN  
CHAIRMAN & [M. D.]

RAHIL R. JAIN  
DIRECTOR

PLACE : MUMBAI  
DATE : AUGUST 29, 2012

PLACE : AJWA COMPOUND, AJWA.  
DATE : AUGUST 29, 2012

**AJWA FUN WORLD & RESORT LIMITED**  
**Profit and loss statement for the period ended 31st MARCH, 2012**

Sr. No.	Particulars	Note No.	31st March 2012	31st March 2011 (Rs.)
I.	Revenue from operations	16	31,627,589	18,596,130
II.	Other income	17	6,956,607	18,675,571
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>38,584,196</b>	<b>37,271,701</b>
	<u>Expenses:</u>			
	Cost of materials consumed	18	2,406,608	3,222,364
	Purchases of Stock-in-Trade	19	884,193	11,981,169
	Changes in inventories of finished goods work-in-progress and Stock in Trade	20	2,077,366	(5,636,575)
	Employee benefit expense	21	5,559,692	3,915,883
	Finance costs	22	736,990	593,057
	Depreciation and amortization expense	9	5,069,034	4,463,669
	Other expenses	23	16,795,690	13,540,971
<b>IV</b>	<b>Total expenses</b>		<b>33,529,573</b>	<b>32,080,538</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)		<b>5,054,623</b>	<b>5,191,163</b>
VI.	Exceptional items			
	Investment Written Off During the Year		950,000	-
	Preliminary Expenses written off during the year		418,199	-
VII.	Profit before extraordinary items and tax (V - VI)		<b>3,686,424</b>	<b>5,191,163</b>
VIII.	Extraordinary Items			-
IX.	Profit before tax (VII- VIII)		<b>3,686,424</b>	<b>5,191,163</b>
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>3,686,424</b>	<b>5,191,163</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
<b>XIV</b>	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>3,686,424</b>	<b>5,191,163</b>
XVI	Earnings per equity share:			
	(1) Basic		0.58	0.81
	(2) Diluted		0.58	0.81

See accompanying notes to the financial statements

2

As per our Report of even date  
 For M/s.PORWAL & PORWAL  
 CHARTERED ACCOUNTANTS  
 FRN. 118727W

For & on behalf of the Board of Directors

*Nikhil Porwal*  
 NIKHIL PORWAL  
 PARTNER  
 049610



RAJESH C. JAIN RAHIL R. JAIN  
 CHAIRMAN & [M. D.] DIRECTOR

PLACE : MUMBAI  
 DATE : AUGUST 29, 2012

PLACE : AJWA COMPOUND, AJWA.  
 DATE : AUGUST 29, 2012

**AJWA FUN WORLD & RESORT LTD.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31/3/2012  
[PREPARED PERSUANT TO LISTING AGREEMENT]**

PARTICULARS	FOR THE YEAR ENDED 31/3/12 [Rs.]	FOR THE YEAR ENDED 31/3/11 [Rs.]
<b>A. CASH FLOW FROM OPERATIVE ACTIVITIES :</b>		
NET PROFIT/(LOSS) AFTER TAX AND EXTRAORDINARY ITEMS ADJUSTED FOR	3,686,423.70 (5,069,034.00)	5,191,163.32
DEPRECIATION	5,069,034.00	4,463,669.00
PRIOR PERIOD ADJUSTMENT	-	-
MISC. EXP. WRITTEN OFF	-	-
Change in Net Working Capital	(2,352,904.93)	(6,676,707.75)
 NET CASH FLOW FROM OPERATING ACTIVITIES : [A]	 1,333,518.77	 2,978,124.57
 CASH FLOW STATEMENT FOR THE YEAR ENDED 31/3/2012 [PREPARED PERSUANT TO LISTING AGREEMENT]		
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
PURCHASE/SALE OF FIXED ASSETS	(16,686,606.00)	(8,037,737.00)
PURCHASE/SALE OF INVESTMENTS	-	-
 NET CASH FLOW FROM INVESTING ACTIVITIES : [B]	 (16,686,606.00)	 (8,037,737.00)
 <b>C. NET CASH USED IN FINANCING ACTIVITIES :</b>		
Increase/Decrease in Share Application Warrants	-	-
Proceeds/Payments from Secured Loans	1,642,572.00 10,569,521.00	5,178,397.54 3,538,021.00
 NET CASH USED IN FINANCING ACTIVITIES : [C]	 12,212,093.00	 8,716,418.54
 NET CASH & CASH EQUIVALANTS { (A) + (B) + (C) }	 (3,140,994.23)	 3,656,805.39
 CASH AND CASH EQUIVALANTS AS AT THE BEGINNING OF THE YEAR	 11,702,659.04	 8,045,853.65
 CASH AND CASH EQUIVALANTS AS AT THE END OF THE YEAR	 8,561,665	 11,702,659



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note.1**

<u>Contingent liabilities and commitments (to the extent not provided for)</u>	As at 31 March 2012	As at 31 March 2011
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt.	3,183,653.00	3,183,653.00
(b) Guarantees		
(c) Other money for which the company is contingently liable		
	3,183,653.00	3,183,653.00
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided		
(b) Uncalled liability on shares and other investments partly paid		
(c) Other commitments (specify nature)		
	-	-
	3,183,653.00	3,183,653.00





**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Schedule 2.**

<u>Note</u>	<u>Particulars</u>
<b>1</b>	<p><b><u>Corporate information</u></b></p> <p>Ajwa Fun World &amp; Resorts Ltd Is A Public Company Limited By Shares Incorporated On 16/09/1992 Engaged In The Business Of Entertainment Sector By Installing The Facilities Of Rides &amp; Other Entertainment Devices At Its Park Near Vadodara With The Resumption Of The Operation Of Water Park.The Company Has Diversified Into The Infrastructure Projects, Construction Of Complexes Also.</p>
<b>2</b>	<p><b><u>Significant accounting policies</u></b></p>
<b>2.1</b>	<p><b><u>Basis of accounting and preparation of financial statements</u></b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.</p>
<b>2.2</b>	<p><b><u>Use of estimates</u></b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>2.3</b>	<p><b><u>Inventories</u></b></p> <p>Inventories of stores, beverages &amp; eatables are valued at cost. Cost is arrived at by following Weighted Average method of accounting.</p>



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (contd.)**

Note	Particulars
2.4	<p><b><u>Cash and cash equivalents (for purposes of Cash Flow Statement)</u></b></p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
2.5	<p><b><u>Cash flow statement</u></b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.6	<p><b><u>Depreciation and amortisation</u></b></p> <p>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 up to the date of Balance Sheet.</p> <p>Depreciation on Fixed Assets, for which no rates have been specified in Schedule XIV to the Companies Act, 1956, is provided on the Written down Value Method at the rates at which the assets are depreciated over its estimated useful life.</p> <p>Depreciation is provided on pro-rata basis from the month in which assets have been put to use and up to the date on which assets have been disposed, discarded or sold.</p>
2.7	<p><b><u>Revenue recognition</u></b></p> <p><u>Sale/Income from Operations</u></p> <p>Parks Income is accounted on accrual basis i.e. date of visit to park is the date of reckoning the income, however in the case of the Membership for a specified period, the income has been treated as accrued proportionately on the basis of span of period of membership. Also in the case of life membership deposits, the income is recognized by spreading deposit over a period of ten years.</p> <p><u>Income from services</u></p> <p>Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred except employees' retirement benefits, which are accounted as and when actually paid.</p>



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (contd.)**

Note	Particulars
<b>2.8</b>	<p><b><u>Tangible fixed assets</u></b></p> <p>Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes pre-operation expenses net of revenue. The Fixed Assets which are not yet completed are treated as Capital Work-In-Progress and no depreciation is provided for the same.</p> <p>The assets having average life of about two years such as, Restaurant Crockery etc. are being clubbed under Miscellaneous Assets and have been written off after a period of two years.</p>
<b>2.9</b>	<p><b><u>Amortisation Of Miscellaneous Expenses:</u></b></p> <p>The preliminary expenses and issue expenses are amortized during the previous year.</p> <p>Expenses towards intensive advertisement campaign as well as sales promotion and foreign traveling, the benefit of which are expected to accrue over a number of years are treated as deferred revenue expenditure. Appropriate amounts are being written off every year.</p> <p>Advertisement &amp; other traveling &amp; office expenses relating to the Periodic Membership Schemes whose income have been treated as accrued on proportionate basis are treated as deferred revenue expenditure and appropriate amounts are being written off every year, over the period of such Schemes.</p>
<b>2.10</b>	<p><b><u>Taxes on income</u></b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (contd.)**

**2.11 Other Disclosures**

- a. Figures of Previous year have been regrouped/recast wherever necessary to make them comparable with the figures of the Current year.
- b. The company has not provided for the gratuity liability as well as employees' other retirement benefits though it should have provided for the same in line with the accounting standard made mandatory.
- c. Since the company is following cash method of accounting in this respect, the liability in respect of gratuity is not being worked out by it.
- d. No provision has been made for penalty and interest which may be levied upon the Company for non deduction/short deduction of TDS and delay/default in remitting money to various authorities because the amount is not ascertainable as on the date of Balance Sheet. The same shall be accounted for as and when levied by such authorities.

**e. AUDITORS' REMUNERATION INCLUDES :**

Sr.No.	2011-12	2010-11
Particulars	Rs.	Rs.
Statutory Audit Fees	25,000	25,000
Tax Audit Fees	10,000	10,000
Fees for Taxation Matters	10,000	10,000
Company Law Matters	5,000	5,000
Service Tax	5,150	5,150
<b>TOTAL RS.</b>	<b>55,150</b>	<b>55,150</b>

- f. Balance due to or due from parties/ banks from whom confirmations are not received are subject to adjustment on receipt of necessary confirmations.



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (contd.)**

**g. LOANS & ADVANCES INCLUDE THE FOLLOWING:**

Rs.4,12,894/- given as loan to M/s. Mahavir Estate Pvt. Ltd. Maximum outstanding during the year Rs. 4,12,894/-. (Previous year both amount are Rs.3,78,387/-)

[All these companies are under the same management as defined U/s 370 1(B) of the Companies Act, 1956.]

- h. Directors' Remuneration (Current year as well as previous year) represents Directors salary only.
- i. The Inventory of stores includes stocks of Stores, Spares, and Restaurant Items etc. and is stated in the Balance Sheet as taken, valued and certified by the management.

**j. CONTINGENT LIABILITIES:**

- i. Disputes not acknowledged as debt by the company for Rs.29,88,583/-
- ii. Demand rose by the Gujarat Electricity Board for Rs.1,95,070/- towards installation charges and interest but contested by the company
- k. The company has been advised by experts that due to business loss and claim of depreciation as per the provisions of the Income Tax Act, 1961, the company does not have any tax liability for the current financial year and therefore no provision for Income Tax has been made. Also, due to carried forward depreciation and business loss as per the provisions of Income Tax Act, 1961, there is no need to provide any deferred Tax liability under Accounting Standard 22 (AS 22).



**AJWA FUN WORLD & RESORT LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Significant accounting policies (contd.)**

- m. The Income Tax and Sales Tax assessments for the Asst. Year 2005-06 and onwards and financial year 2004-05 respectively are yet to be made by the concerned authorities.

n. **RELATED PARTY TRANSACTIONS :**

Related Parties with whom the Company had transactions.

**1. ASSOCIATES :**

- A. AJWA FINANCE LTD.
- B. S R J PROJECTS PVT.LTD.
- C. MAHAVIR ESTATE PVT.LTD.
- D. UNIQUE CONSTRUCTION PVT.LTD.

**2. KEY PERSONAL :**

- A. Shri Rajesh C Jain ( C.M.D)
- B. Rahil R Jain.

**3. Relatives of Key Managerial Personal :**

- A. Smt.Vijaybala R Jain
- B. Rajesh C. Jain ( H.U.F.)



**AJWA FUN WORLD & RESORT LIMITED**  
Notes forming part of the financial statements

**Note 2 Significant accounting policies (contd.)**

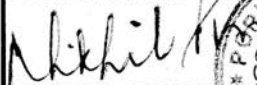
**DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATIVES AND THE STATUS OF OUTSTANDING BALANCE AS ON 31<sup>ST</sup> MARCH'2012.**

Component	Associates Transaction (NET) Rs.	Significant Influence (NET) Rs.	Key Managerial Personnel (NET) Rs.	Relatives Of Key Managerial Personnel Transaction (NET) Rs.
Loan (Taken)	2,84,12,883/-	-	-	25,86,771/-
Remuneration Sitting Fees to Key Managerial Personnel	-	-	10,80,000/-	3,60,000/-
Loan Given/Rent paid to Managerial Personnel	8,41,594/-	-	5,67,413/-	25,82,995/-

Figures are rounded off to the nearest rupee.

In terms of our report attached.

**For PORWAL & PORWAL**  
Chartered Accountants  
FRN. 118727W

  
**NIKHIL PORWAL**  
Partner  
M. No.049610



For and on Behalf of Board of Directors

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

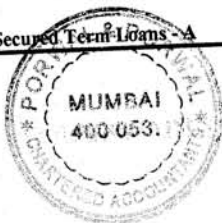
  
**Rahil R. Jain**  
Director

Place : MUMBAI  
Date : August 29, 2012

Place: AJWA  
Date: August 29, 2012

**Balance Sheet and Profit Loss A/C for the Period ended on 31st March'12**

Particulars	31st March 2012		31st March 2011	
	Rs.	Rs.	Rs.	Rs.
<b>NOTE - 3</b>				
<b>SHARE CAPITAL:</b>				
<u>Authorized</u> 2,50,00,000 Equity Shares of ` 10/- each		25,000,000		25,000,000
<u>Issued</u> 63,90,000 Equity Shares of ` 10/- each		63,900,000		63,900,000
<u>Subscribed &amp; Paid - up</u> 63,90,000 Equity Shares of ` 10/- each		63,900,000		63,900,000
<b>Details of Shareholders holding more than 5% Capital</b>				
Name of Shareholder	As at 30th September 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RAJESH CHUNILAL JAIN	530900	7.83	530900	7.83
APPLE AMUSEMENT LIMITED	549900	8.61	549900	8.61
AJWA FINANCE LTD	450000	7.04	450000	7.04
<b>Total</b>	<b>1530800</b>	<b>23.48</b>	<b>1530800</b>	<b>23.48</b>
<b>NOTE - 4</b>				
<b>RESERVES AND SURPLUS:</b>				
Securities Premium	11,120,000		11,120,000	
Opening balance	(61,882,363)	11,120,000	(67,073,526)	11,120,000
(+) Net Profit/(Net Loss) For the current year	3,686,424		5,191,163	
Closing Balance		(58,195,939)	(61,882,362)	
<b>Total</b>		(47,075,939)	(50,762,362)	
<b>NOTE - 5</b>				
<b>LONG TERM BORROWINGS:</b>				
<u>Secured</u>				
Term Loans	2,315,937		3,763,945	
Loans and Advances from related parties				
Other Loans and Advances(specify)	2,765,118		2,959,682	
<b>Total - A</b>	5,081,055		6,723,627	
<u>Unsecured</u>				
Term Loans				
Loans and Advances from related parties	30,485,766		40,764,287	
Other Loans and Advances(specify)	11,857,930		13,806,758	
<b>Total - B</b>	42,343,696	47,424,750	54,571,045	61,294,671
<b>NOTE - 5.1</b>				
<b>LONG TERM BORROWINGS:</b>				
<u>Term Loans</u>				
Punjab National Bank	2,315,937		3,763,945	
		2,315,937	3,763,945	
Term Loan from HDFC BANK [Secured against motor car Skoda Laura]	244,968		2,374,536	
Term Loan from ICICI BANK [Secured against motor car Hundai I 20 Car]	388,753		585,146	
Term Loan from ICICI BANK [Secured against motor car Mercedesz]	1,407,763			
Term Loan from HDFC BANK	723,634			
		2,765,118	2,959,682	
<b>Total Secured Term Loans - A</b>		5,081,055	6,723,627	





**Ajwa Fun World Resort Ltd.**

**Balance Sheet and Profit Loss A/C for the Period ended on 31st March'12**

<b>Loans and Advances from related parties</b>			
Unsecured Loans			
<b>From Companies</b>			
Unique Const. Pvt. Ltd.	(94,200)		
Ajwa Finance Ltd.	9,076,432		
S.R.J.Builders Pvt Ltd	19,336,451		
Porwal Auto Components Ltd.	-		
Unno Industries	-		
Fortune Petech Pvt. Ltd.	25,000		
		28,343,683	-
<b>From Directors</b>			
Rajesh C.Jain (Loan)	(444,688)		
		(444,688)	-
<b>From Shareholders</b>			
Rajesh C.Jain [H.U.F.]	2,586,771		
		2,586,771	-
		30,485,766	-
<b>From Others</b>			
Costume/Locker Deposit			2,899,000
Gujarat Machinery Tools Corpn.	2,608,000		10,907,758
Unearned Income-(2013 To 2021)	9,249,930		13,806,758
<b>Total Unsecured Loans - B</b>		11,857,930	13,806,758
		72,829,461	13,806,758
<b>Total A+B</b>			
<b>NOTE - 6</b>			
<b>TRADE PAYABLES</b>			
Micro,Small and Medium Enterprise	-		34190431
Others	42021187		34190431
		42,021,187	34190431
<b>NOTE - 7</b>			
<b>OTHER CURRENT LIABILITIES:</b>			
Others *	205,812		160,291
	-		-
	-		-
		205,812	160,291
* Includes entertainment tax, gujarat sales tax, income tax, tds and professional tax			
<b>NOTE - 8</b>			
<b>SHORT TERM PROVISIONS</b>			
<i>Provision for employee benefits</i>			
Salary & Reimbursements	2,137,066		1,633,593
Provident Fund	4,150		-
<i>Others</i>	-		-
Electricity Exp.	169,821		-
Provision for Income Tax	-		-
		2,311,037	1,633,593
<b>NOTE - 10</b>			
<b>NON CURRENT INVESTMENTS:</b>			
<i>Trade Investments [Long Tern Investments]</i>			
Quoted [Equity Shares of Companies]	950,000		950,000
a. 95,000 Equity Shares of Rs.10/- each fully paid of Ajwa Finance Limited.* [Previous year 95,000 Equity Shares]			
* [A Company under the same management]			
Investment Written Off during the year	(950,000)		950,000
			950,000



**Ajwa Fun World Resort Ltd.**

**Balance Sheet and Profit Loss A/C for the Period ended on 31st March '12**

<b>NOTE - 11</b>			
<b>INVENTORIES:</b>			
Raw materials	-		-
Work-in-progress	2,406,608		-
Finished goods	3,319,977		3,319,977
Stock-in-trade - Stores	171,886		155,860
Stores and spares	-		-
Loose Tools	-		-
Others - Land	996,000		5,496,000
		6,894,471	8,971,837
<b>NOTE - 12</b>			
<b>TRADE RECEIVABLES</b>			
Trade receivables (outstanding for a period less than six months from the date they are due for payment)	-		-
Trade receivables (outstanding for a period exceeding six months from the date they are due for payment)	15,225,778		7,763,953
		15,225,778	7,763,953
<b>NOTE - 13</b>			
<b>CASH &amp; CASH EQUIVALENTS</b>			
Balances with banks	613,459		274,497
Cash On Hand	1,194,608		5,149,341
Fixed deposits with the bank	6,753,598		6,278,821
		8,561,665	11,702,659
<b>NOTE - 14</b>			
<b>SHORT TERM LOANS &amp; ADVANCES:</b>			
<b>(Unsecured and Considered Good)</b>			
Loans and advances	14,095,478		27,547,537
Balances with Income Tax & Entertainment Tax Dept	1,440,475		1,380,790
Deposits	882,374		1,861,097
Others (specify)	980,677		818,916
		17,399,003	31,608,340
<b>NOTE - 15</b>			
<b>MISCELLANEOUS EXPENDITURE</b>			
a. Preliminary Expenses			
Balance as per last Balance Sheet	418,199.00		418,199
Less :1/10th written off during the year	418,199.00		-
			418,199
<b>NOTE - 16</b>			
<b>REVENUE FROM OPERATIONS:</b>			
Sale of products	-		-
Sale of services	23,690,680		13,704,126
Other operating revenues	7,936,909		4,892,004
	31,627,589		18,596,130
Less:Excise duty	-		-
		31,627,589	18,596,130



**AJWA FUN WORLD & RESORT LIMITED**  
**Balance Sheet and Profit & Loss A/c. for the period ended on 31st March, 2012**

<b>NOTE - 16.1</b>			
<b><u>PARTICULARS OF SALE OF SERVICES/ OPERATING INCOME</u></b>			
<b>Particulars</b>			
<b>PARKS &amp; GARDEN INCOME</b>			
Entry Income	1171300		930,570
Income From Rajwadi/Resort	7661445		751,660
Show Income	10802600		8,941,350
Other Income	4055335		3,080,546
		23,690,680	13,704,126
<b>INCOME FROM RESTAURANT</b>			
Ice Cream & Snacks Income	3216297		2,461,539
Food Income	3195651		1,415,143
Restaurant Income [Water Park]	499670		177,500
Restaurant Income [Amus. Park]	1025291		837,822
		7,936,909	4,892,004
		31,627,589	18,596,130
<b>NOTE - 17</b>			
<b><u>OTHER INCOME:</u></b>			
Interest	576,172		470,045
Dividend	-		-
Net gain/loss on sale of assets	11,367		25,733
<b><u>Other non-operating income</u></b>			
Discount Received	140,107		-
Discount & Kasar	23,277		197,406
Member Ship Income	2,299,800		12,716,200
Other Income	1,356,120		42,526
Rent Income	10,400		105,270
Sundry Balance W/off	3,364		3,091
Flat Sale Income	2,536,000		5,115,300
		6,956,607	18,675,571
<b>NOTE 18 Purchase of Materials</b>			
Opening Stock			
Add: Purchases Materials - WIP Indore Anoop Nagar		2,406,608.00	3,222,364.00
Less: Closing Stock		-	-
<b>Cost of Material Consumed</b>		2,406,608.00	3,222,364.00
<b>Total</b>		-	-
<b>NOTE 19 Purchase of Traded Goods</b>			
Restaurant Consumables		5,384,193.00	11,981,169.00
Less:			
Purchase Return- Land at Khandwa Road		(4,500,000.00)	
		884,193.00	11,981,169.00



**Ajwa Fun World Resort Ltd.**

**Balance Sheet and Profit Loss A/C for the Period ended on 31st March'12**

<b>Note 20 Changes in inventories of finished goods, Work in Progress &amp; Stock in Trade</b>			
<b>Inventories at the end of the year:</b>			
Finished goods		4,315,977.00	5,496,000.00
Work-in-progress		2,406,608.00	3,319,977.00
Stock-in-trade		171,886.00	155,860.00
		<b>6,894,471.00</b>	<b>8,971,837.00</b>
<b>Inventories at the beginning of the year:</b>			
Finished goods		5,496,000.00	996,000.00
Work-in-progress		3,319,977.00	2,262,416.00
Stock-in-trade		155,860.00	76,846.00
		<b>8,971,837.00</b>	<b>3,335,262.00</b>
<b>Net (increase) / decrease</b>		<b>2,077,366.00</b>	<b>-5,636,575.00</b>
<b>NOTE - 21</b>			
<b>EMPLOYEE BENEFIT EXPENSE:</b>			
Salary & Wages	4,854,906		3,444,404
Provident fund	26,116		25,960
ESOP	-		-
Staff Welfare	678,670		445,519
		<b>5,559,692</b>	<b>3,915,883</b>
<b>NOTE - 22</b>			
<b>FINANCE COST:</b>			
Interest expense	736,990		593,057
Other borrowing costs	-		-
Applicable net gain/loss on foreign currency transactions	-		-
		<b>736,990</b>	<b>593,057</b>



## Balance Sheet and Profit Loss A/C for the Period ended on 31st March'12

<b>NOTE - 23</b>			
<b>OTHER EXPENSES:</b>			
<b>Parts &amp; Garden Operating Expenses</b>			
Electricity and Power & Fuel	2,266,993		2,185,325
Repairs & Maintenance [P & M]	4,889,800		3,463,611
Repairs & Maintenance [Building]	56877		71,985
Repairs & Maintenance [Others]	983039		613,643
Leasable Purchase	0		301,007
Hardware Program Exp.	480000		416,000
Security Expenses	545538		564,727
Commission & Discount Expenses	403430		332,570
Fuses Operating Expenses	121825		69,400
Plantation Exps.	626896		648,905
Facet Expenses	0		50,520
<b>Total - A</b>		<b>10,374,398</b>	<b>8,717,692</b>
<b>Selling &amp; Distribution Expenses</b>			
Advertisement & Business Promotion Expenses	1830565		1,097,965
Brokerage Exps.	476000		
Sales Tax Paid	361217		196,006
<b>Total - B</b>		<b>2,667,782</b>	<b>1,293,971</b>
<b>Establishment Expenses</b>			
Legal & Professional Fees	593703		535,005
Travelling Expenses	745356		790,267
Office & General Expenses	445951		630,332
Printing & Stationery Expenses	245385		58,031
Postage, Telegram, & Telephone Expenses	225495		162,461
Conveyance & Vehicle Expenses	720059		530,246
Insurance Expenses	180393		232005
Auditors' Remuneration	55150		55150
Expenses on Medical treatment of Customers	44930		32763
Rent, Rates & Taxes	457371		448110
Repairs & Maintenance Expenses	14910		44436
Bank Charges	24807		10503
<b>Total - C</b>		<b>3,753,510</b>	<b>3529308</b>
<b>Total A+B+C</b>		<b>16,795,690</b>	<b>13540971</b>

See accompanying notes to the financial statements

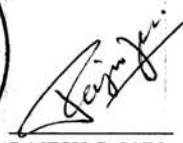
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As per our Report of even date  
For M/s.PORWAL & PORWAL  
CHARTERED ACCOUNTANTS  
FRN. 118727W

  
NIKHIL PORWAL  
PARTNER  
049610



For &amp; on behalf of the Board of Directors

  
RAJESH C. JAIN  
CHAIRMAN & [M. D.]

  
RAHIL R. JAIN  
DIRECTOR

PLACE : MUMBAI  
DATE : AUGUST 29, 2012

PLACE : AJWA COMPOUND, AJWA.  
DATE : AUGUST 29, 2012

**AJWA FUN WORLD & RESORT LIMITED**  
**NOTE - 9 FIXED ASSETS AS ON 31st March, 2012**

Sr.No.	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block		
		Balance as at 01/04/2011	Additions/ (Disposals)	Deduction/ Adjustment	Balance as at 31/03/2012	Balance as at 01/04/2011	Depreciation charge for the year	Deduction/ Adjustment	Balance as at 31/03/2012	Balance as at 01/04/2011	Balance as at 31/03/2012
(i)	<b>Tangible Assets</b>										
	1. Land	16,112,980.00	-	-	16,112,980.00	-	-	-	-	16,112,980.00	16,112,980.00
	2. Building & Site Development	37,541,583.00	-	-	37,541,583.00	25,078,276.00	1,092,334.00	-	26,170,610.00	12,463,307.00	11,370,973.00
	3. Plant & Machineries	76,380,481.00	21,472.00	-	76,401,953.00	63,558,138.00	1,786,512.00	-	65,344,650.00	12,822,343.00	11,057,303.00
	4. Office Equipments	1,565,778.00	105,342.00	(96,605.00)	1,574,515.00	1,150,324.00	69,996.00	86,722.00	1,133,598.00	415,454.00	440,917.00
	5. Furnitures & Fixtures	1,546,245.00	155,959.00	-	1,702,204.00	977,887.00	119,962.00	-	1,097,849.00	568,358.00	604,355.00
	6. Miscellaneous Assets	1,443,781.00	269,210.00	-	1,712,991.00	1,084,228.00	263,962.00	-	1,348,190.00	359,553.00	364,801.00
	7. Vehicles	6,175,626.00	2,323,405.00	-	8,499,031.00	1,523,780.00	1,736,268.00	-	3,260,048.00	4,651,846.00	5,238,983.00
	<b>Total</b>	<b>140,766,474.00</b>	<b>2,875,388.00</b>	<b>- 96,605.00</b>	<b>143,545,257.00</b>	<b>93,372,633.00</b>	<b>5,069,034.00</b>	<b>86,722.00</b>	<b>98,354,945.00</b>	<b>47,393,841.00</b>	<b>45,190,312.00</b>
(ii)	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-	-	-	-
(iii)	<b>Capital Work In Progress</b>										
	1. WIP - New Resort	1,536,350.00	11,556,694.54	-	13093044.54	-	-	-	-	1,536,350.00	13,093,044.54
	1. WIP - New Slide	-	474,356.00	-	474356.00	-	-	-	-	-	474,356.00
	2. WIP- (F.W. )	-	-	-	-	-	-	-	-	-	-
	3. WIP Space Bowl	71,445.00	1,829,971.00	-	1901416.00	-	-	-	-	71,445.00	1,901,416.00
	4. WIP -New P&M(wp)	-	-	-	-	-	-	-	-	-	-
	5. WIP-New P & M (AP)	-	46,801.00	-	46801.00	-	-	-	-	-	46,801.00
	<b>Total</b>	<b>1,607,795.00</b>	<b>13,907,822.54</b>	<b>-</b>	<b>15,515,617.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,607,795.00</b>	<b>15,515,617.54</b>
(iv)	<b>Intangible assets under Development</b>										
	<b>Total</b>										

