

NINTEENTH
ANNUAL REPORT
AND
ACCOUNTS
2005-2006



FUNWORLD
&
TOURISM DEVELOPMENT LTD.



FUNWORLD & TOURISM DEVELOPMENT LTD.

NINETEENTH ANNUAL REPORT 2005-2006

Board of Directors	:	Shri Hitendrasinh S. Jadeja Shri A. J. Muchhala Shri Bhuvnesh Bhatt Shri Jayedeepsinh Vaghela Shri Pravinsinh Jhala	Chairman & Whole Time Director Director Director Director Director (Appointed on 15-06-06)
Bankers	:	State Bank of Saurashtra Centurion Bank U.T.I. Bank	
Auditors	:	Rashmikanth Sheth & Associates 572, Marshall House, (5th Floor), 33/1, Netaji Subhas Road, Kolkata : 700 001	
Registered Office	:	43, Sakan Twin Bungalows, Nr. Management Enclave, Vastrapur, Ahmedabad-380015.	
Amusement Park	:	Race Course Ground, Rajkot-360 001.	
Administrative Office	:	"Saya House", Nr. Mithakhali Under Bridge, Mithakhali, Ahmedabad-380 006.	



FUNWORLD & TOURISM DEVELOPMENT LTD.

NOTICE

NOTICE is hereby given that the 19th ANNUAL GENERAL MEETING of the Shareholders of FUNWORLD AND TOURISM DEVELOPMENT LIMITED will be held at the Registered Office of the Company at 43, Sakarn Twin Bunglows, Nr. Management Enclave, Vastrapur, Ahmedabad – 380015 on Saturday the 30th day of September, 2006 at 10.00 a.m. to transact the following Ordinary and Special Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance sheet as at 31st March, 2006, the profit & loss Account for the year ended on that date and the Reports of Directors' and Auditors thereon.
2. To appoint Director in place of Mr. Jaydeepsinh Vaghela who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Arunkumar Muchhala who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification[s] the following resolution as an Ordinary Resolution.

“RESOLVED THAT Mr. Pravinsinh Zala who was appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 on 15th June, 2006 and whose period of appointment expires on the day of this Annual General Meeting and in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

NOTE :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE THE PROXY MUST REACH TO THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE MEETING.
2. The Register of Members and share transfer books will remain closed from 29th September, 2006 to 30th September, 2006.
3. The explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business is annexed hereto.
4. The shareholders are requested to bring their copy of Annual Report at the time of Meeting.
5. As a matter of convenience, the shareholders are requested to inform their queries, if any, the Company in advance so as to enable the Company to properly reply the same at the time of Meeting.

Date : 15.6.2006

Regd. office :

43, Sakan Twin Bunglows
Nr. Management Enclave,
Vastrapur, Ahmedabad.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

H. S. JADEJA
WHOLE-TIME DIRECTOR



FUNWORLD & TOURISM DEVELOPMENT LTD.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

NOTICE ITEM NO. 5.

Mr. Pravinsinh Zala was appointed as Additional Directors on 15th June, 2006. His term of appointment expires on the day of the ensuing annual General Meeting.

Mr. Pravinsinh Zala is a retired gazetted officer having more than 20 years experience in the filed of administration and HR.

The company has received a notice pursuant to Section 257 of the companies Act, 1956 from one of the shareholders of the company proposing for his appointment as Directors of the company.

The board recommends the resolution.

The proposed appointee shall be deemed to be interested in the resolutions proposed for his appointment. None of the other Directors are concerned or interested in the said resolution.

INFORMATION ABOUT DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT.

Mr. Jaydeepsinh Vaghela and Mr. Arun Muchhala are the directors retiring by rotation and have offered themselves for re-appointment. Mr. Jaydeepsinh Vaghela is B.A. having more than 9 years experience in the filed of marketing and PRO. Mr. Arun muchhala is a wel-known businessman and builder of Mumbai. He is having varied kinds of business ventures and is associated with construction, real estate and amusement industry.

Date : 15.6.2006

Regd. office :

43. Sakan Twin Bunglows

Nr. Management Enclave,

Vastrapur, Ahmedabad.

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS

Sd-
H. S. JADEJA
WHOLE-TIME DIRECTOR



FUNWORLD & TOURISM DEVELOPMENT LTD.

DIRECTORS' REPORT

To
The Members

Your Directors present herewith 19th Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2006.

FINANCIAL RESULTS

During the year under review, the Company has incurred loss of Rs. 21.12 lacs after making provision of Rs. 32.93 lacs for depreciation and Rs. 1.62 lacs for financial charges. After adjusting the previous carried forward profits against the year under review losses, the net profit carried to Balance Sheet stands reduced to Rs. 22.54 lacs. Looking to the overall financial health of the company, the Board do not recommend any dividend for the year under review.

OPERATIONAL REVIEW

During the year under review, the total income from operations was Rs. 97.69 lacs as compared to Rs. 112.72 lacs of that of the previous year. The business is showing downward trend during last few years. The management is taking necessary steps for improving performance by introducing new rides.

The management is also in the process of entering in to new business ventures as approved by the members at the last annual general meeting. However shortage of funds again hampers the implementation of new projects and business ventures.

DIRECTORS

Mr. Jaydeepsinh Vaghela and Mr. Arun Muchhala, Directors of the company retires by rotation at the ensuing 19th Annual General Meeting and being eligible, offers themselves for re-appointment.

Mr. Navin Ghorecha had resigned from the Board w.e.f. 15.6.2006. The Board places on record the services rendered by him. Mr. Pravinsinh Zala was appointed as additional director on 15.6.2006. Pursuant to Section 257 of the companies Act, 1956, the Company has received a notice from one of the members of the Company proposing for his appointment as director at the ensuing Annual General Meeting.

AUDIT COMMITTEE

AS on 31.3.2006, the Audit Committee comprised of three non-executive Directors namely: Mr. Navin Ghorecha [Chairman], Mr. Jaydeepsinh Vaghela and Mr. Bhuvnesh Bhatt. In view of the resignation of mr. Navin Ghorecha, Mr. Pravinsinh Zala was appointed as one of the Committee member.

DEPOSITS

The Company has not received any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS

M/s. Rashmikant Sheth & Associates, Chartered Accountants, Kolkatta, the Auditor of the Company retire at the ensuing Annual General Meeting and is recommended for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217[2AA] of the Companies Act, 1956, your Directors hereby confirm that:

1. in the preparation of accounts the applicable accounting standards have been followed.
2. the Company has selected such accounting policies and applied them consistently and made judgments and esti-



FUNWORLD & TOURISM DEVELOPMENT LTD.

mates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company at the end of 31st March, 2006 and of the profit and loss account for the year ended on that date.

3. proper and sufficient care has been taken 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 any frauds and other irregularities.
4. the annual account for the year ended 31st March, 2006 have been prepared on a going concern basis.

LISTING OF SHARES

The Company's share are listed on Mumbai Stock Exchange and has paid listing fees for the year 2006-07.

DE-LISTING OF SHARES FROM AHMEDABAD STOCK EXCHANGE

In terms of the SEBI De-listing guidelines and the application made by the Company for voluntary de-listing of shares, the Ahmedabad Stock Exchange has de-listed the shares of the Company w.e.f. 22nd February, 2006.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing Agreement, forms part of this Report and the same is annexed hereto.

REPORT ON CORPORATE GOVERNANCE

A Report on Corporate Governance pursuant to Clause 49 of the Stock Exchange Listing Agreement, forms part of this Report and the same is annexed hereto.

SEGMENT

Your Company is engaged in a one segment only i.e. entertainment / amusement sector running amusement park at Rajkot.

CONSERVATION OF ENERGY ETC.

The details of conservation of Energy, technology absorption, foreign exchange earnings and outgo are not applicable to the Company as the Company is engaged in construction activity.

PARTICULARS OF EMPLOYEES

The Company had no employees covered under Section 217(2A) of the Companies Act, 1956.

ACKNOWLEDGMENTS

The Directors extend their sincere thanks to all agencies, park visitors, banks and others associated with the Company including employees of the Company, for their co-operation, continued support, assistance, trust and confidence reposed by them in the Company.

FOR AND ON BEHALF OF THE BOARD

Ahmedabad
15.6.2006

SD/-
H. S. JADEJA
CHAIRMAN



FUNWORLD & TOURISM DEVELOPMENT LTD.

CORPORATE GOVERNANCE REPORT

The Board of Directors of the Company supports the broad principles of corporate governance. Given below is a report on corporate governance:

1. Company's philosophy on Code of Governance:

The company's philosophy on the corporate governance lays strong emphasis on transparency, accountability, full disclosure of material facts, independence of Board, integrity and fair play with all stake holders. The company will endeavor to constantly comply with and to continuously improve on the aspects with an overall view to earn trust and respect of the members, lenders and other stakeholders. All employees are guided by the company's policy on important issues, relationship with costumers, shareholders and statutory authorities.

2. Board of Directors:

The Board of directors of the company comprises five directors; out of them three are non-executive independent directors, one is non-executive and one is executive director. The chairman of the Board is executive director.

Mr. H S Jadeja is appointed as a chairman of the company by the Board of Directors of the company.

During the year ended March 31st 2006, eight meetings were held on the following dates:

14.4.2005, 29.4.2005, 28.6.2005, 13.7.2005, 30.7.2005, 26.10.2005, 30.1.2006 and 28.3.2006

The constitution of the Board and other relevant details are given below:

NAME OF DIRECTOR	CATEGORY	DIRECTORSHIP IN OTHER CO.	MEMBERSHIP BOARD COMITTEES OF OTHER CO.	ATTENDANCE AT MEETINGS BOARD	LAST AGM
Mr. Arun Muchhala	Non-Executive	3	Nil	1	No
Mr. H S Jadeja	Chairman and	Nil	Nil	8	Yes
	Executive				
Mr. Bhuvnesh Bhatt	Director				
	Non-exe./				
Mr. Jaydeepsinh Vaghela	Independent	Nil	Nil	8	Yes
	Non-Exe. /				
Mr. Navin Ghorecha	Independent	Nil	Nil	8	Yes
	Non-Exe. /				
	Independent	2	2	2	Yes

Mr. Navin Ghorecha has resigned from the board w.e.f. 15.6.2006.

The information as required under Annexure I A to the clause 49 of the listing agreement is made available to the Board of Directors.

3. COMMITTEES OF THE BOARD

The Board of Directors has constituted two committees of the Board viz.

Audit Committee
Investors Grievance Committee

The Board determines the terms of reference of these committees from time to time. The respective committee's Chairman