

FUNWORLD AND TOURISM DEVELOPMENT LIMITED

Regd. Office: 'FUNWORLD', Opp. Bahumali Building, Race Course ring road, Rajkot- 360002.

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the shareholders of Funworld and Tourism Development Limited will be held on Tuesday 10th September, 2013 at 10:00 a.m. at registered office of the Company at 'FUNWORLD' Opp. Bahumali Building, Race Course ring road, Rajkot, 360002 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013, the statement of Profit and Loss for the year ended on that date and the Reports' of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Arunkumar J. Muchhala, who retires by rotation and being eligible offers himself for reappointment
3. To appoint Director in place of Shri Pravinsinh D. Jhala, who retires by rotation and being eligible offers himself for reappointment
4. To appoint M/s. Jeevan Jagetiya and Co. Chartered Accountants, Ahmedabad, as Auditors of the Company, to hold office from conclusion of 26th Annual General Meeting till conclusion of 27th Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxies, in order to be effective, must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to this notice.

3. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Shri Arunkumar J. Muchhala and Shri Pravinsinh D. Jhala, Directors retiring by rotation and seeking re-appointment under Item No. 2 and Item No.3 of the Notice respectively, are annexed herewith.
4. Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 3rd September 2013 to Tuesday 10th September, 2013.(both days inclusive)
5. The Register of Directors' shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection by members at the AGM.
6. The Register of Contracts, maintained under Section 301 of the Companies Act, 1956, will be available for inspection by the Members at the Registered Office of the Company.
7. As a Green Initiative in the Corporate Governance, the Ministry of Corporate Affairs ("MCA") vide its circular bearing nos. (i) 17/2011 dated April 21, 2011 and (ii) 18/2011 dated April 29, 2011 allowed the Companies to send various notices/ documents (including Notice conveying AGM, Audited Financial Statements, Auditors' Report, Directors Report and other related documents) to shareholders through electronic mode, to the registered email Id of the shareholders. Pursuant to said Green Initiative. The Company urges the members to communicate their email id to the Company and / or RTA, so that the Company can send future communications to these shareholders in electronic mode.
8. Members are requested to visit the website of the Company www.funworldparks.com for viewing the quarterly & annual financial results and for more information on the Company.
9. For any investor-related queries, communication may be sent by e-mail to sayaride@hotmail.com & funworld@sify.com
10. Big Share Services Private Limited (Big Share) is the Registrar & Share Transfer Agent (R&T Agent) of the Company. All investor related communication may be addressed to Big Share at the following address;
Big Share Services Private Limited
E-2 & 3, Ansa Industrial Estate,
Saki-Vihar Road,

Sakinaka Andheri (E),

Mumbai, 400 072

Tel: 91-22-28470652|40430200|28470653

Fax: 91-22-28475207,

E Mail: marketing@bigshareonline.Com

11. For effecting changes in address/bank details/ECS (Electronic Clearing Service) mandate, members are requested to notify:
- (i) The R&T Agent of the Company, viz. Big Share, if shares are held in physical form; and
- (ii) Their respective Depository Participant (DP), if shares are held in electronic form.
12. Members are requested to send their queries, if any, to reach the Company at its Registered Office, at least 10 days before the meeting, so that the information can be compiled in advance.
13. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
14. Details of the Directors seeking re-appointment in the Twenty Sixth Annual General Meeting

[Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange]

Particulars	Shri Arunkumar Muchhala	Shri Pravinsinh Jhala
Relationships with other Directors	Father	Nil
Date of Appointment	28/09/1993	15/06/2006
Expertise	Strategically Marketing	Mobe Management, Safety & Security
Qualification	B.A	B.A
No. of Equity Shares held in the Company	67500	116000

List of other companies in which directorship are held	Nil	Nil
Chairmanship/ Membership of committees(includes only Audit Committee and Shareholders Grievances Committee)	Nil	Nil

Note:

The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

By Order of the Board of Directors

Date-25/07/2013

H.S.Jadeja

Regd. Office:

Whole time Director

'FUNWORLD'

Opp. Bahumali Building,

Race Course ring road,

Rajkot, 360002

FUNWORLD AND TOURISM DEVELOPMENT LIMITED

DIRECTORS' REPORT

To

The Members

Funworld and Tourism Development Limited,

Your Directors presents their Twenty-sixth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2013.

FINANCIAL RESULTS

[Rs. In lacs]

	2012-2013	2011-2012
Gross Income	250.29	272.04
Depreciation	46.98	43.78
Profit/Loss after Depreciation	4.66	10.93
Tax- Current	0.91	2.18
Deferred	(4.97)	(2.52)
Profit / Loss After Tax	8.72	11.72

OPERATIONS

The Company has earned Rs 250.29 lacs as project income & Rs.0.33 lacs as other income.

The profit of the Company is Rs. 8.72 lacs against profit of Rs. 11.72 lacs in the previous year.

APPROPRIATIONS

DIVIDEND

The Board does not recommended any dividend for current year

TRANSFER TO RESERVES

According to Companies (Transfer of Profits to Reserves) Rules, 1975, your Company is not mandatorily required to transfer certain minimum percentage of profits to general reserve and hence the Board has recommended a transfer of Rs. Nil to the general reserve and an amount of Rs. 8.72 lacs has retained in the profit and loss account.

LISTING OF SHARES

The Company's share continues to remain listed with the Bombay Stock Exchange.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreement, a report on corporate governance along with auditors' certificate of its compliance is included as part of the annual report.

DIRECTORS

The clause 153 of Articles of Association of the Company provides that at least two-thirds of our Directors shall be subject to retirement by rotation. One third of these retiring Directors must retire from office at each Annual General Meeting of the shareholders. A retiring Director is eligible for re-election.

Shri Arunkumar J. Muchhala and Shri Pravinsinh D Jhala, Directors will retire by rotation and being eligible, offer themselves for reappointment. The details of their re-appointment together with nature of their expertise in specific functional areas and names of the Companies in which they hold office as Director and/or the Chairman/Membership of Committees of the Board, are provided in the notice of the 26th Annual General Meeting.

STATUTORY DISCLOSURES

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report on Board of Directors) Rules 1988:

Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

The Company has neither used nor earned any foreign exchange during the year under review

PARTICULARS OF EMPLOYEES

The information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees' amendment) Rules, 1988 as amended from time to time is nil.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and development

INDIA TOURISM The Indian Travel tourism Amusement & Entertainment industry has emerged as one of the key sectors driving the country's growth and is thriving to a huge surge in both business and leisure travel by foreign and domestic tourists.

According to the latest report by Deloitte Touche, the long term outlook for Indian tourism industry will remain positive. By taking into the consideration the observations of other noted agencies like the world travel and tourism council (WTTC), it states that Indian tourism Industry will generate \$ 42.8 billion by 2017.

Opportunities, Threat, Outlook, Risks and Concerns

The Company sees positive impact in business because of rising income of people. But at the same time the industry also suffers shortage of skilled manpower. The shortage of blue collar employees poses various threats. Retention of the workforce through training and development is a problem. There is also need to improve roadways, transportation, ensure clean and hygienic environment and ensure safety and security conditions and give parks a modern look.

Internal Control Systems & their Adequacy

The company has proper & adequate system of their internal controls proportionate to its size and business. The internal control systems of the company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data.

Cautionary Statement

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the

Company's operations such as Government policies, tax laws, political and economic development.

CODE OF CONDUCT

The code of conduct for all Board members and senior management of the Company has been laid down and is being complied in words and spirit. The declaration on compliance of code of conduct signed by CEO of the Company is included as a part of this annual report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to sub-Section (2AA) of Section 217 of Companies Act'1956 the Board of Directors of the Company hereby State and confirm that:

- ◆ in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ◆ the Directors had selected such accounting policies and applied them consistently and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at end of the financial year and of the profit or loss of the company for that period;
- ◆ the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- ◆ the Directors had prepared the annual accounts on a going concern basis.

CASH FLOW

A Cash Flow statement for the year ended March 31, 2013 is attached to the Balance Sheet.

AUDITORS AND AUDITORS' REPORT

The retiring Auditor M/s Jeevan Jagetiya & Co., Chartered Accountants, Ahmedabad, has indicated their willingness to continue as auditor of the Company. It is proposed to reappoint M/s Jeevan Jagetiya & Co., Chartered Accountants, Ahmedabad, as auditors of the Company till the conclusion of Twenty Seventh Annual General Meeting. The Company has received certificate from auditor to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

INSURANCE

The Company's assets are adequately insured against major risks.

ACKNOWLEDGEMENTS

The Board expresses their appreciation for continued co-operation and support extended to the Company by bankers, employees & shareholders.

By Order of the Board of Directors

Date-25/07/2013

Regd. Office:

Chairman

'FUNWORLD'

P.D.Jhala

Opp. Bahumali Building,

Race Course ring road,

Rajkot, 360002

CORPORATE GOVERNANCE REPORT

(As required by clause 49 of the Listing Agreement with the stock exchange)

This section on Corporate Governance forms part of the Directors' Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Bombay Stock Exchange where the shares of the Company have been listed.

A. COMPANY'S PHILOSOPHY & CODE OF GOVERNANCE

Your company's corporate governance policy is directed towards adherence to ethical business practices.

B. BOARD OF DIRECTORS

Composition of Board

The strength of the Board as on March 31, 2013 was five, of which, three are Executive Directors, and two are independent Directors. The requisite particulars are given below:

Name	Category	Director-ship in other co.	Membership in board Committee of other Company	Attendance at meetings	
				Board	Last AGM
Shri H.S Jadeja	Executive Promoter	3	Nil	6	Yes
Shri Pravinsinh Jhala	Chairman & Non-Exe./Ind.	2	Nil	6	Yes
Shri Jaydeepsinh Vaghela	Non-Exe./Ind	Nil	Nil	6	Yes
Shri Arunkumar Muchhala	Executive	14	Nil	6	Yes