



FUNWORLD & TOURISM DEVELOPMENT LTD.

TWENTY NINE ANNUAL REPORT 2016

Board of Directors	:	Shri Hitendrasinh S. Jadeja	Chairman & Whole Time Director
		Shri A. J. Muchhala	Whole Time Director
		Shri Pravinsinh Jhala	Independent Director
		Shri Suraj Muchhala	Whole Time Director
		Smt. Trinkal A. Muchhala	Director (w.e.f. 31-3-15)
		Shri Pradipsinh Jhala	Director (w.e.f. 31-1-15 to 30-10-15)
		Shri Jitendrasinh N. Parmar	Independent Director (w.e.f. 30-10-15)
Bankers	:	State Bank of India	
		HDFC Bank Ltd.	
		Development Credit Bank Ltd.	
Auditors	:	Jeevan Jagetiya & Co.	
		210, Shli II, Ashram Road,	
		Ahmedabad - 380 009.	
Registered Office	:	FUNWORLD	
		Opp. Bahumali Building, Race Course,	
		Rajkot - 360 002.	
Amusement Park	:	Race Course Ground,	
		Rajkot - 360 002.	
Practicing Company Secretary	:	Pinakin Shah & Co.	
		A-201, Siddhi Vinayak Tower,	
		B/h. BMW Show-Room, Next to Kataria House,	
		Off. S.G. Highway, Makarba, Ahmedabad-380051.	



FUNWORLD & TOURISM DEVELOPMENT LTD.

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the shareholders of Funworld and Tourism Development Limited will be held on Thursday, 29th September, 2016 at 11.00 a.m. at 'FUNWORLD' Opp. Bahumali Building, Race Course Ring Road, Rajkot, 360002 to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Statement of Profit and Loss for the year ended as on 31st March, 2016 and Audited Balance Sheet of the Company as on that date together with and the Reports of the Directors and Auditors thereon.
- To appoint Shri Surajkumar Muchhala, Director (DIN- 00031549) of the company who retires by rotation and being eligible, offers himself for reappointment.
- To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution
 "RESOLVED THAT pursuant to section 139 and 142 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, the appointment of M/s. Jeevan Jagetiya Co., Chartered Accountants, Ahmedabad, having Firm Registration No-1221335W as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting be and is hereby ratified, and that their remuneration be determined by the Board of Directors of the Company on recommendation of Audit Committee."

SPECIAL BUSINESS

- Approval for Related Party Transactions

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Regulation 23 of SEBI (LODR) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for entering into the following proposed Related Party Transactions with respect to availing of services by the Company with effect from 1/10/2016 and every year thereafter, up to the maximum per annum amounts as appended in table below:

Sr.	Name of the Related Party	Relationship	Maximum Value No. of transactions per annum with effect from 01/10/2016 (Rs. in Crore)
1.	Saya Amusement Manufacturing Private Limited	Private company in which a Director is a member	1.00 (One Crore)

"RESERVED FURTHER THAT The Board of Directors of the Company B&R hereby authorised to do all acts & take all such steps as may be necessary, proper for expedient to give effect to this resolution."

- Appointment of Mr. Jitendrasinh N. Parmar (DIN: 01726127) as an Independent Director
 To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
 "RESOLVED THAT pursuant to the provisions of sections 149, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, read with Schedule IV to the Act, as amended from time to time, Jitendrasinh N. Parmar (DIN: 01726127), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and Regulation 17 of the SEBI (LODR) with stock exchanges, and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30/10/2015."

Date: 04/08/2016

Place: Rajkot

For and on behalf of the Board

H.S.Jadeja

Whole time director

DIN: 00183473

NOTES:

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Businesses to be transacted at the Annual General Meeting is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 22nd September, 2016 to Thursday, 29th September, 2016.(both days inclusive).
- The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
- Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in Demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.



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- 6) The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
- 7) Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting
- 8) Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and Regulations 44 of the SEBI (LODR) Regulations, 2015 the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Cut-off date i.e. a date not earlier than seven days before the date of general meeting, are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the Cut-off date should treat this notice for the information purpose only.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

- I. In case of members receiving e-mail from CDSL (for Members whose e-mail addresses are registered with Company/ Depositories):
 - (i) The voting period begins on 26th September, 2016 at 9.00 am and ends on 28th September, 2016 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Log on to the e-voting website www.evotingindia.com
 - (iii) Click on Shareholders
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in d-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in D-mat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both d-mat shareholders as well as physical shareholders)</p> <p>★ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>★ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>★ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in d-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



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(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non Individual Shareholders and Custodians

- ★ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ★ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ★ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - ★ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ★ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on 26th September, 2016 at 9.00 am and ends on 28th September, 2016 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

II. Other Instructions:

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 31st March, 2016.
- b) Mr. Ishan P. Shah, Advocate has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman or person authorised by him in writing shall declared the results of the voting forthwith.
- d) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.funworldparks.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared by the Chairman.
- e) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- f) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Bigshare Services Private Limited/Investor Service Department of the Company immediately.
- g) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Bigshare Services Private Limited/ Investor Service Department of the Company.
- h) Members desiring any information relating to the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.

Date: 04/08/2016

For and on behalf of the Board

Place: Rajkot

H.S.Jadeja
Whole time director
DIN: 00183473

EXPLANATORY STATEMENT

[Pursuant to section 102 of the Companies Act, 2013]

The following explanatory statement sets out all material facts relating to the business mentioned under item nos. 2 to 4 of the accompanying Notice:

ITEM NO. 2 & 5

Details of Director Retiring by Rotation and seeking Re-Appointment under Regulation 17 of SEBI (LODR) Regulations, 2015

Name of Director	SurajkumarMuchhala	Jitendrasinh N. Parmar
Date of Birth	11/08/1987	12/06/1971
Date of Appointment	22/12/2009	30/10/2015
Qualification	Graduate	M.S., Orthopedic Doctor
Expertise	In specific Functional areas wide business experience across variety of industries.	In specific Functional areas wide business experience in Managing Hospital.
Chairman/ Director of other Companies	None*	None*
Chairman/ Member of Committees of the Company	Chairman Nil Member 1	Chairman Nil Member - 2
No of shares held in the Company	1,10,000	0

*Note : The Directorship held by director mentioned above do not include directorship of Private Limited Company.



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ITEM NO. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act. M/s Jeevan Jagetiya & Co., Chartered Accountants, Ahmedabad (Firm Registration No 121335W), were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 28/09/2015, to hold office till the conclusion of the AGM to be held in the Calendar Year 2018. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of the members is being sought for appointment of statutory auditors as per the proposal contained in the Resolution set out at item no. 3 of the Notice.

The Board commends the Resolution for approval by the Members. None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

ITEM NO. 4

Approval for Related Party Transactions

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The Regulation 23 of SEBI (LODR) Regulations, 2015 which has come into operation with effect from 01/04/2015 has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. Pursuant to the provisions of Section 188 of Companies Act, 2013, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by a special resolution:

Sr.	Name of the Related Party	Relationship	Maximum Value No. of transactions per annum with effect from 01/10/2016 (Rs. in Crore)
1.	Saya Amusement Manufacturing Private Limited	Private company in which a Director is a member	1.00 (One Crore)

The other related information as envisaged under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

PARTICULARS	
a) Name of the Related Party	Saya Amusement Manufacturing Private Limited
b) Name of the Director or Key Managerial Personnel who is Related	H. S. Jadeja
c) Nature of Relationship	Director is a Member
d) Nature, Material Terms, Monetary Value and Particulars of the Contract or Arrangement	Repairs & Maintenance of park in ordinary course of business on arm's length basis. Upto 1.00 Crore.
e) Any other Information relevant or Important for the members to take a decision on the Proposed Resolution.	Nil

All proposed transactions are proposed to be carried out based on business requirements of the Company and shall be in ordinary course of business and at arms' length.

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on 04/08/2016 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval. As per Regulation 23 of SEBI (LODR) Regulations, 2015, Shri H. S. Jadeja, Director of Company being related with the said Related Party shall abstain from voting on this item.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the unrelated shareholders.

None of the Directors except Shri H. S. Jadeja & his Relatives or Key Managerial Personnel(KMP) or relatives of KMPs is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

ITEM NO. 5

Appointment of Mr. Jitendrasinh N. Parmar (DIN: 01726127) as Director

The Company had, pursuant to the provisions of Regulation 17 of SEBI (LODR), 2015 appointed of Mr. Jitendrasinh N. Parmar, as an Independent Director in its Board Meeting held on 30/10/2015. Pursuant to the provisions of section 149 of the Companies Act, 2013, every listed public company is required to have at least one-third of the total number of directors as independent directors. Such Independent Director shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. Thus, it is proposed to appoint of Mr. Jitendrasinh N. Parmar for a term of five years from 30/10/2015. He has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. Notices have been received from Members proposing candidature of the above Director for the office of Independent Director of the Company. In compliance with the provisions of section 149 and 161 read with Schedule IV of the Act, the appointment of Mr. Jitendrasinh N. Parmar as an Independent Director is now being placed before the Members for their approval, for the term stated above. Other terms and conditions for their appointment shall be available for inspection by the Members at the Registered Office of the Company during business hours on any working day, excluding Saturday.

None of the Directors, except the proposed appointee in resolution concerning their individual appointment or any of Key Managerial Personnel of the Company or relatives of any of them are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

Details of Director is as under Regulation 17 of SEBI (LODR) Regulations, 2015.

Date: 04/08/2016

For and on behalf of the Board

Place: Rajkot

H.S.Jadeja
Whole time director
DIN: 00183473



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DIRECTORS' REPORT

To,
The Members of
FUNWORLD AND TOURISM DEVELOPMENT LIMITED

Dear Members,

Your Directors have pleasure in presenting the 29th Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended, 31st March, 2016. The summary of operating results for the year is given below.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Current Year	Previous Year
Sales	263.16	256.90
Other Income	81.89	18.61
Total Income	345.06	275.51
Depreciation	49.63	160.74
Tax :		
Current Tax	0.00	0.00
Deferred Tax	(5.08)	21.72
Profit/(Loss) after Tax	(12.50)	(146.45)
Earnings per share (Rs.) :		
Basic	-0.20	-2.29
Diluted	-0.20	-2.29

STATE OF COMPANY'S AFFAIRS

During the year under review, the total Income of the Company was Rs 345.06 Lakh against Rs 275.51 Lakh in the previous year. The Company has incurred a Loss of Rs 12.50 Lakh compared to Rs 146.44 Lakh in the previous year. Your Directors are continuously looking for avenues for future growth of the Company.

TRANSFER TO RESERVES

There is no proposal to transfer any amount to any reserve.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis forms part of this Annual Report & is annexed to the Board's Report.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments, which have occurred between the end of the financial year of the Company and the date of the report, which has affected the financial position of the Company.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

No company has become or ceased to be Subsidiary Company, Joint Venture Company or Associate Company during the year.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

MEETINGS OF THE BOARD OF DIRECTORS

Information is provided under clause 2(B) of the Corporate Governance.

CORPORATE GOVERNANCE

As provided under Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the compliance with Corporate Governance as specified in Regulation 17 to 27, 46(2)(b) to (i) & para c, d & e of Schedule V are not applicable to the Company as paid up share capital doesn't exceed Rs. 10 Crore. The Company has decided to maintain and adhere to the Corporate Governance requirements set out by SEBI voluntarily. The Report on Corporate Governance along with requisite Certificate from M/s. Pinakin Shah & Co., Practicing Company Secretary, Ahmedabad is annexed to this Report.

DIVIDEND

In view of loss, the Board of Directors have not recommended any dividend for the financial year 2015-16.

DEPOSITS

Your company has not accepted any fixed deposits during the year under review.

RISK MANAGEMENT

There is an adequate risk management infrastructure in place capable of addressing risks that the organization faces such as strategic, financial, market, property, IT, legal, regulatory, reputational and other risks those have been identified and assessed.

DIRECTORS & KEY MANAGERIAL PERSON

Shri Surajkumar Muchhala, Director retires by rotation and being eligible offers himself for reappointment. Pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015, Details of Directors retiring by rotation is provided under explanatory statement of the Notice of the ensuing Annual General Meeting. ShriJitendraParmar has been appointed as a Non-Executive Independent Director pursuant to the provisions of sections 149, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, read with Schedule IV to the Act, as amended from time to time. He meets the criteria for independence he meets the criteria for independence as provided in section 149(6) of the Act and Regulation 17 of the SEBI (LODR) with stock exchanges, and who is eligible for appointment as an Independent Director of the Company with effect from 30/10/2015. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.



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AUDITORS

At the Annual General Meeting held on 28/09/2015, M/s Jeevan Jagetiya & Co, Chartered Accountants, Ahmedabad were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 31st Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to Section 139 of the Companies Act 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Jeevan Jagetiya & Co, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, The Company has received a certificate from the Auditors to the effect that if they are ratified, it would be in accordance with the provisions of section 141 of the Companies Act 2013.

AUDITORS' REPORT

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

M/s Pinakin Shah & Co, Practising Company Secretary has been appointed as the secretarial Auditor of the Company for the financial year 2016-17 as required under Section 204 of the Companies Act 2013 and Rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure 4 to this Report. The Secretarial Audit Report contains certain adverse remarks which are dealt with as under:

S. No.	Remarks	Explanation
1	Non Compliance of Section 204 of the Companies Act, 2013	The size of the company doesn't offer professional or any carrier goal. Therefore, the Company could not recruit Company Secretary.
2	Non Compliance of Section 138 of the Companies Act, 2013	The Company has Internal Auditor commensurate with the size of the Company.
3	Non Compliance of Filing of Forms	The Company has filed the forms with additional fees.
4	Non Compliance of Regulation 19 of SEBI (LODR) Regulations, 2015	Steps have been initiated to induct one independent director.

COMMITTEES OF THE BOARD

The Committees of the Board is provided under Clause 3 of the Corporate Governance Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES

GIVEN AND SECURITIES PROVIDED

The Company has not given any loan, made any investment or given any guarantee hence information is nil.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3)(c) of the Companies Act, 2013, the

Board of Directors hereby confirms that,

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- II. It has in the selection of the accounting policies, consulted the Statutory Auditors and has 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 as at 31st March, 2016 and of the profits of the company for that period.
- III. It has 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, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognized while relying on any system of internal control and records.
- IV. It has prepared the annual accounts on a going concern basis.



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- V. The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operation efficiently.
- VI. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure 2 to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure 1 to this report.

INSURANCE

All Inventories including Buildings, Machinery etc., is adequately insured.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. All Related Party Transactions are placed before the Audit Committee for approval. The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions are approved by the Audit Committee and the Board of Directors. Information on material related party transactions entered into in the ordinary course of business and on an arm's length basis, as provided under form AOC-2 attached as **Annexure 3** to this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

FAMILIARIZATION PROGRAMME

Since all independent directors are associated with the company for more than 5 (years), the company has not conducted familiarization programme for independent director.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

A. Conservation of Energy

1. Manual Operation of Air Compressor with strict controls on operational timings and re-alignment / re-connection of existing Air Compressor to increase loading and subsequently increasing its efficiency.
2. Optimization of running hours of the rides at the Theme Park based on Guest Population Green Initiative.

B. Technology absorption

As the Company is an end user of ride systems and not into manufacturing the technology absorption is not relevant.

FOREIGN EXCHANGE EARNINGS AND OUT GO

There were no foreign exchange earnings and outgo during the year under review.

EQUITY CAPITAL

a) BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b) SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c) BONUS SHARES

No Bonus Shares were issued during the year under review.

d) EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.



FUNWORLD & TOURISM DEVELOPMENT LTD.

e) EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The company has not issued equity shares with differential rights as to dividend, voting or otherwise.

SHARES IN SUSPENSE ACCOUNT

- ★ Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year: NIL
- ★ Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year: Not Applicable
- ★ Number of shareholders to whom, shares were transferred from Suspense Account during the year: Not Applicable
- ★ Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year: NIL
- ★ That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

SHARES IN UNCLAIMED SUSPENSE ACCOUNT

- ★ Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the beginning of the year: NIL
- ★ Number of shareholders who approached issuer for transfer of shares from the Unclaimed Suspense Account during the year: Not Applicable
- ★ Number of shareholders to whom, shares were transferred from the Unclaimed Suspense Account during the year: Not Applicable
- ★ Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the end of the year: NIL

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

ANY SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors wish to express co-operation received from all the stakeholders.

Date : 04/08/2016

Place : Rajkot

For, Funworld & Tourism Development Ltd.

Shri H. S. Jadeja
Whole Time Director
DIN : 00183473



FUNWORLD & TOURISM DEVELOPMENT LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is engaged in a single segment namely, Amusement Parks.

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The global parks industry traces its origin to the 1950s when the first parks were open in the USA and Canada. These were a natural extension of the town fairs that were held periodically to coincide with cultural and religious events. As per International Association of Amusement Parks and Attractions (IAAPA), an Amusement Park is defined as 'a large, high-profile attraction that offers guests a complex of rides, food services and games'. Park format are broadly classified as amusement parks, theme parks and water parks. A theme park is defined as a unique setting or rides with specific themes. Water parks, on the other hand, offers a range of water based activities. The total global parks industry was estimated at over US\$ 28 billion in terms of revenues. This is expected to rise US\$ 32 billion by 2017. Geographically, parks in the USA and Europe are near maturity levels now, and Asia is fast emerging as the new growth hot-spot for in the industry.

Footfalls and Attendance

In terms of footfalls, there was an increase of 5.4 per cent in 2015 compared to 2014 in the top 25 Amusement Theme Parks worldwide. In absolute terms, total global footfalls increased to 235.6 million in 2015 compared to 223.5 million in 2014. The footfalls of the Top 25 theme Park worldwide have grown at a CAGR of 4.7% since 2011.

The Indian Parks Industry

The Indian amusement park sector is valued at USD 400 million (INR 25 billion) is at a very nascent stage when compared to the USD 25 billion (INR 1,625 billion) global amusement park segment (Source The Future: Now Streaming, KPMG 2016). With the rising income levels, increasing domestic tourism and favourable demographics, the sector is estimated to grow by a Compounded Annual Growth Rate (CAGR) of 19 percent over the next five years, thereby offering immense growth opportunities in this sector.

2. OPPORTUNITIES & THREATS

The all-round India growth story continues to remain strong and attractive. Both IMF and World Bank (WB) have predicted the Indian economy to grow at 7.5% in 2015-16 and 2016-17. The key drivers of growth for the India economy are in place for a sustained and uninterrupted growth in the future. Both favourable macroeconomic factors as well as dynamic demographics indicate to a period of assured uptrend and growth in the Indian amusement parks industry. Against this positive and optimistic outlook of the economy, the outlook for the Company is extremely favourable and exciting, with a high potential for accelerated growth and expansion.

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.

3. RISKS

This section lists forward-looking statements that involve risks and uncertainties. The outlook, risks and concerns can be listed as follows:

- ★ The economic environment and pricing pressures could negatively impact our revenues and operating results.
- ★ Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy.
- ★ Intense competition in the market could affect our revenues.
- ★ Our increasing work with governmental agencies may expose us to additional risks.
- ★ We may be the subject of litigation which, if adversely determined, could harm our business and operating results.

New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance.