



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## THIRTY ANNUAL REPORT 2017

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



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## NOTICE

Notice is hereby given that the 30th Annual General Meeting of the shareholders of Funworld and Tourism Development Limited will be held on Friday, 29th September, 2017 at 11.00a.m. 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 Statement of Profit and Loss for the year ended as on 31st March, 2017 and Audited Balance Sheet of the Company as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint ShriHitendrasinh S. Jadeja, Director (DIN- 00183473) of the company who retires by rotation and being eligible, offers himself for reappointment.
3. 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 31st 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."

Date: 01/08/2017

For and on behalf of the Board

Place: Rajkot

H.S. Jadeja

Whole time director

DIN: 00183473

### Notes:

- 1) 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.
- 2) 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.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2017 to Thursday, 28th September, 2017. (both days inclusive).
- 4) 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.
- 5) 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.
- 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. VOTING INSTRUCTIONS:

- (i) The voting period begins on 26th September, 2017 at 9.00 am and ends on 28th September, 2017 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, 2017



# FUNWORLD & TOURISM DEVELOPMENT LTD.

may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	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. <ul style="list-style-type: none"><li>● 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).</li></ul>

- (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.
- (xviii) Shareholders can also use Mobile app - "m-Voting" for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).
- (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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## II. OTHER INSTRUCTIONS:

- 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, 2017.
- Mr. Ishan P. Shah, Advocate has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 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 declare the results of the voting forthwith.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.funworldparks.com](http://www.funworldparks.com) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) immediately after the result is declared by the Chairman.
- 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.
- 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.
- 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.
- 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: 01/08/2017

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 3 of the accompanying Notice:

#### ITEM NO. 2

As required by Regulation 17 of SEBI (LODR) Regulations, 2015 and subject to the provisions of Sections 149, 152 and 161 and subject to the provisions of 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 details of Director retiring by rotation and seeking re-appointment and details of Directors seeking appointment is as under:

<b>Name of Director</b>	<b>Hitendrasinh Jadeja</b>
<b>Date of Birth</b>	<b>11/08/1987</b>
<b>Date of Appointment</b>	<b>15/07/1995</b>
<b>Qualification</b>	<b>Graduate</b>
<b>Expertise</b>	<b>In specific Functional areas wide business experience across variety of industries</b>
<b>Chairman/ Director of other Companies</b>	<b>None*</b>
<b>Chairman/ Member of</b>	<b>Chairman – Nil</b>
<b>Committees of the Company</b>	<b>Member - Nil</b>
<b>No of shares held in the Company</b>	<b>2,80,290</b>

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

#### 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), are statutory auditors of the Company since F.Y 2008-09. Then after, they were appointed for a period of three years at the 28th Annual General Meeting (AGM) of the Company held on 28/09/2015, to hold office till the conclusion of the 31st Annual General Meeting (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.

Date: 01/08/2017

For and on behalf of the Board

Place: Rajkot

H.S. Jadeja

Whole time director

DIN: 00183473



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## DIRECTOR'S REPORT

To,

The Members of

**FUNWORLD AND TOURISM DEVELOPMENT LIMITED**

Dear Members,

Your Directors have pleasure in presenting the 30th Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended, 31st March, 2017.

The summary of operating results for the year is given below.

### **FINANCIAL HIGHLIGHTS**

**(Rs. in Lakhs)**

Particulars	Current year (2016-17)	Previous Year (2015-16)
Sales	163.00	287.08
Other Income	0.49	1.17
<b>Total Income</b>	<b>163.49</b>	<b>288.25</b>
Depreciation	37.66	49.64
<b>Tax :</b>		
Current Tax	0.00	(3.60)
Deferred Tax	0.00	(5.08)
<b>Profit/(Loss) after Tax</b>	<b>2.36</b>	<b>(12.51)</b>
Earnings per share (Rs.) :		
Basic	0.039	0.039
Diluted	-0.20	-0.20

### **STATE OF COMPANY'S AFFAIRS**

During the year under review, the total Income of the Company was Rs 163.49 Lakh against Rs 288.25 Lakh in the previous year. The Company has earned the profit of Rs. 2.36 Lakh compared to loss of Rs 12.51 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**

Information is provided after this 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 2016-17.

### **DEPOSITS**

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



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## **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 Hitendrasinh S Jadeja, (DIN: 00183473) retires by rotation and being eligible offers himself for reappointment. Pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015, details of Director retiring by rotation is provided under explanatory statement of the Notice of the ensuing Annual General Meeting. 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.

## **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 2018. 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, 2017 is annexed herewith marked as Annexure 4 to this Report. The Secretarial Audit Report contains certain adverse remarks which are dealt with as under:

Sr. No.	Remarks	Explanation
1.	Non Compliance of section 204 of 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 in Filing of Forms fees.	The Company has filed the forms with additional

## **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, 2017 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.
- 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.



# FUNWORLD & TOURISM DEVELOPMENT LTD.

## **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.

### **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



# FUNWORLD & TOURISM DEVELOPMENT LTD.

- ❖ 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**

The shares of the company are registered on BSE. The company has made an application for voluntary delisting of shares to BSE.

Subsequently, BSE has granted in principle approval for delisting vide letter No. DCS/DEL/PGS/IP/907/2016-17 dated 28th March, 2017 subject to compliance of condition stated in Regulation 8 (1) (b) of the Delisting Regulations.

Saya Amusement & Manufacturing Pvt. Ltd., the acquirer initiated the process to acquire 36,92,660 equity shares held by public shareholders at exit price of Rs. 12 per equity share and the offer open on 08th May, 2017 and close on 31st May, 2017. All the public shareholders except one share holder gave their positive consent to the proposal of proposed delisting and dispensed with exit price discovery through book building process and also give their consent to remain the shareholders of equity shares even if the equity shares are delist. The Company has submitted the Final Delisting application to Bombay Stock Exchange on 27th June, 2017 and final delisting approval is awaited.

## **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.

## **DISCLOSURE OF DEMONETIZATION NOTES**

Your company has disclosed the details of specified Bank notes held and transacted during the period from 8th November 2016 to 30th December, 2016 in the Balance sheet as on 31/03/2017. The disclosure has been made in Compliance of notification No. GSR 308 (E) dated 30/03/2017.

## **ACKNOWLEDGEMENT**

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

**Date: 26/05/2017**

**For, Funworld & Tourism Development Ltd.**

**Place: Rajkot**

**Shri Pravinsinh Jhala**

**Chairman**

**DIN: 00183361**





## MANAGEMENT DISCUSSION AND ANALYSIS

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

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian amusement park sector is growing at a CAGR of 10.16% during 2017 to 2021. Currently for a population of 1.15 billion in the country, there are only 120 amusement parks and 45 Family Entertainment Centers.

The sector presently is on a verge of transition in India, with various large investments proposed in the theme park sector both on Public Private Partnership (PPP) basis and by private players. A total of approximately INR297 billion is proposed to be invested in the Indian amusement park sector in the near future. Industry experts believe that majority of the proposed investments are expected to follow the PPP model which would allow the private players the required support from the government in terms of land acquisition, incentives, taxes etc. for development of such large capital intensive projects. The sector is making significant investments in technology as well to develop products/themes that significantly enhance customer experience and participation. For instance, augmented reality (AR) and virtual reality (VR) have become areas of significant interest and investment in the recent times.

### 2. OPPORTUNITIES& THREATS

Whilst there are some strong enablers such as rising income levels leading to increased discretionary spending power, increasing domestic and international tourism, rising urbanization and demographic advantage (higher percentage of working age group), the sector is estimated to register a Compounded Annual Growth Rate (CAGR) of 19 per cent over the next five years to reach at INR60 billion by 2020, thereby offering immense opportunities in this sector

However, the sector is facing numerous challenges in the present day scenario with inadequate government support being the primary challenge. With no incentive towards tax breaks, the biggest challenge lies with the double taxation of this sector with entertainment tax and GST. Other challenges such as inadequate basic infrastructure (power and water), seasonality, lack of awareness about safety, land acquisition issues with unavailability of contiguous land parcels at affordable rates are the major deterrents towards the development in this sector.

### 3. OUTLOOK RISKS& CONCERNS

With the imposition of a 28 per cent tax rate on amusement parks under the Goods and Services Tax (GST) regime, there exists an underlying threat as it will not only hamper the industry but would also pose to be a deterrent to new entrants in this industry.

India is a price sensitive markets and ticket prices are going to remain low in the future, therefore to promote investments, government incentives shall be required in the form of tax holidays and subsidies.

### 4. 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.

### 5. DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company delivered an impressive performance during the year ended March 31, 2017. Some of the highlights are:



# FUNWORLD & TOURISM DEVELOPMENT LTD.

(Rs. in Lakhs)

Particulars	2016-17	2015-16
Total Income	163.49	345.06
Loss after Tax	2.36	12.50

## 6. SIGNIFICANT DEVELOPMENT IN HUMAN RESOURCES

There is no material development in human resource and industrial relations are cordial. The Company has employed 15 people.

## 7. 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.

Date: 01/08/2017

Place: Rajkot

For and on behalf of Board

Shri H. S. Jadeja

Whole Time Director

DIN:00183473