



AMUSEMENT PARK & RESORT
BANGALORE ■ KOCHI

Over 17 million happy customers and growing





George Joseph
Chairman



Kochouseph Chittilappilly
Vice Chairman



Arun K. Chittilappilly
Managing Director



Priya Sarah Cheeran Joseph
Director



M.P. Ramachandran
Director

Dear Shareholders,

I have great pleasure writing to you about certain important initiatives taken by Wonderla Holidays Limited during the year under review. As you are aware, your Company is in the Amusement Park business for over a decade. Our Parks in Kochi and Bangalore have resume the most sought after tourist destinations in South India. Your Company Offers unmatched fun and easement to the visitors who crave for safety, cleanliness and hygiene.

The year has been quite challenging for the Indian Economy. High inflation, higher interest rates, high fiscal deficit, subdued GDP growth etc continue to cast gloom. The economy has been slowing down. A few boozy steps by Government have not improved the business and consumer confidence.

During the year your Company has taken certain bold initiatives to accomplish its vision to be the premier, multilocational amusement Park in the Country. Your Company has purchased 46.17 acres of prime land in Hyderabad to set up the Third Amusement Park. Expeditious step, are being taken to complete all formalities such as conversion of land, obtention of necessary approvals, sanction of development plan etc with a view to commence the project work early. Your Company's growth plans require sizable capital outlay. The Company has kick started its capital raising plan by filing the Draft Red Herring Prospectus (DRHP) with SEBI for the proposed Initial Public Offer (IPO) of Equity Shares. The Company has also tied up adequate term loans with its Bankers to part fund the expansion plans.

Despite the adverse environment in the economy, your Company could register spectacular performances during the year too. The total revenue during the year increased to Rs. 139.37 crores from Rs. 114.39 crores during the previous year, registering an increase of 22%. The profits before tax increased to Rs. 50.03 crores from Rs. 43.87 crores, registering an increase of 14.06%. The profit after tax increased to Rs. 33.59 crores from Rs. 29.50 crores registering an increase of 13.86%.

There have been noticeable changes in the lifestyle and spending habits of Indian middle class. Today youngsters and families prefer to spend quality time in locations where they can have fun, shop, eat and relax under one roof. With different kinds of international rides and newly built up Resort at Bangalore, Wonderla is the most preferred destination for the people of Southern states. At the Resort, Your Company

also hosts indoor as well as outdoor activities, theme evening parties, corporate parties, social gatherings and other functions. The events are customised, delivering a good mix of fun and thrill with safety.

While focusing on business, the Company continues to be a socially responsible corporate. Following the success at Kochi Park, Your Company instituted the 'Wonderla Green Awards' for schools within the Bruhat Bangalore Mahanagara Palike limits in Bangalore rewarding the schools which adopt innovative and comprehensive steps to conserve energy and natural resources. As part of our ongoing corporate social responsibility initiative your Company provides free medical consultation to the villagers who reside near Bangalore Park.

The performance of your company during the coming years is going to be crucial in achieving its dreams. I have great confidence in the Wonderla Team. Here managers think differently and act differently to mobilize the Organization. The Company has developed capabilities to access global network of resources to cocreate unique experiences with customers to stay competitive.

I would like to thank all the employees who have contributed to Wonderla Holidays successful performance in FY 2012-13. I would also like to thank our business partners, vendors, state government and local authorities, Banks and other business associates. Finally, I would like to thank all our shareholders for their encouragement and support.

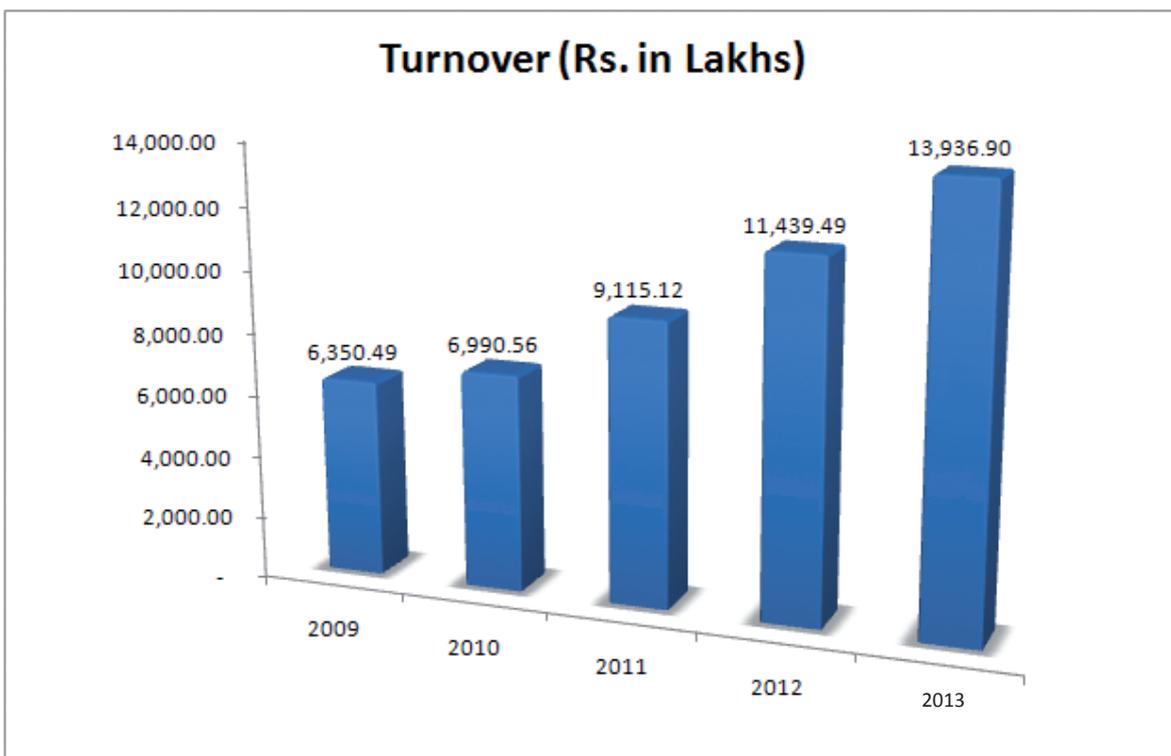
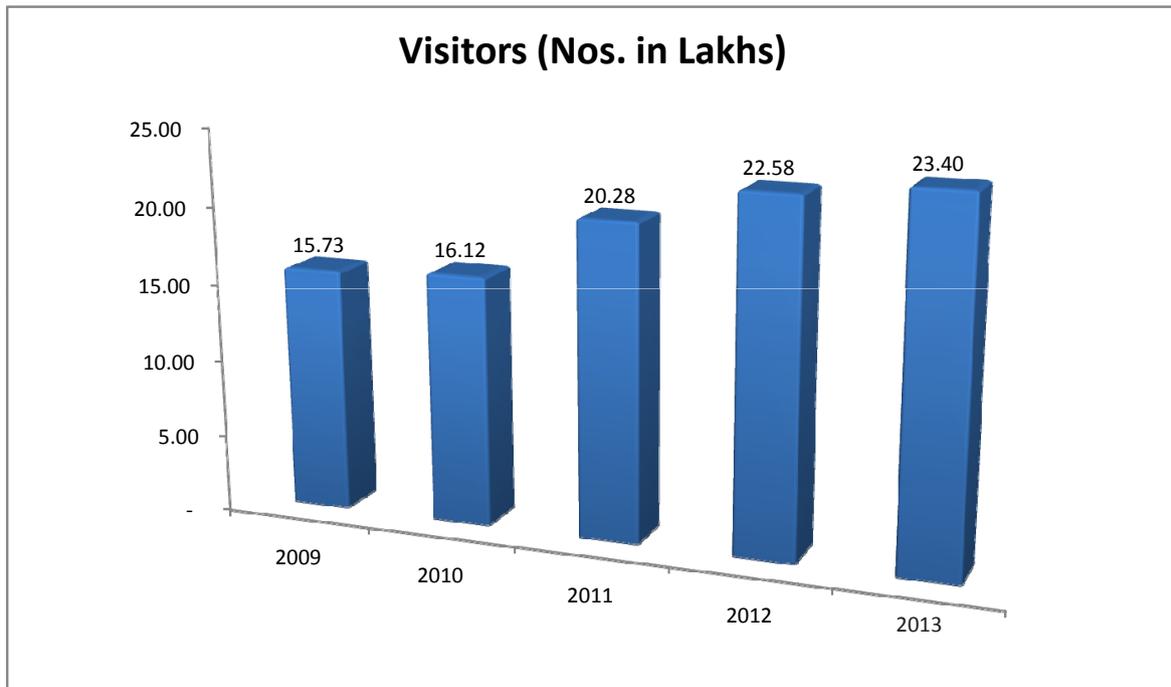
Best wishes,
Sd/-
George Joseph
Chairman

Company Information

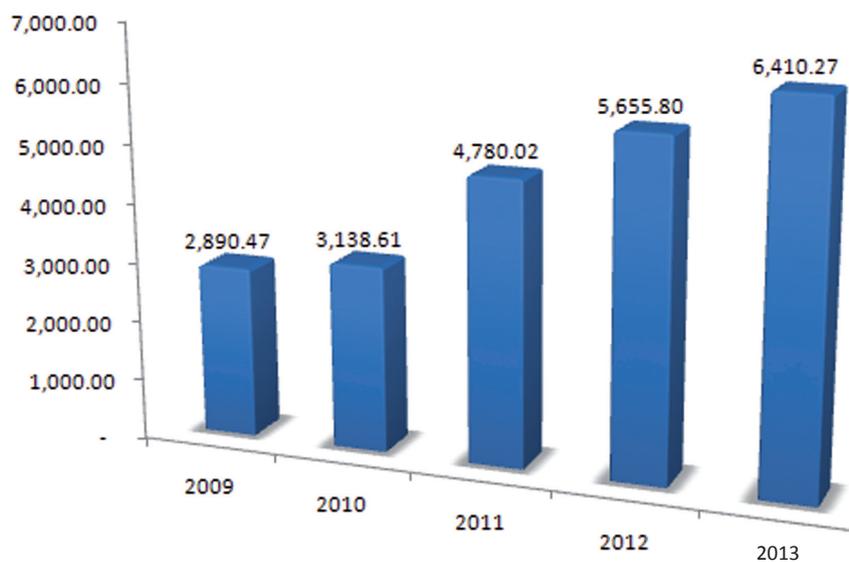
Board of Directors	:	George Joseph- Chairman Kochouseph Chittilappilly - Vice Chairman Arun K Chittilappilly- Managing Director Priya Sarah Cheeran Joseph- Director M.P. Ramachandran- Director
Vice President Finance	:	Nandakumar.T
Company Secretary	:	Santosh Kumar Barik
Bankers	:	State Bank of Travancore State Bank of India Axis Bank Ltd. HDFC Bank Ltd. ICICI Bank Ltd. Dhanalaxmi Bank
Auditors	:	B S R & Co. Chartered Accountants, Maruthi Info-Tech Centre 11-12/1 Inner Ring Road Koramangala Bangalore-560 071
Registered Office	:	Jadenahalli, Hejjala P.O, 28 th K.M, Mysore Road, Bangalore – 562109
Amusement Parks Bangalore	:	28 th K.M, Mysore Road, Hejjala .P.O, Bangalore – 562109
Kochi	:	803J, Pallikkara Kumarapuram, Kochi-683565

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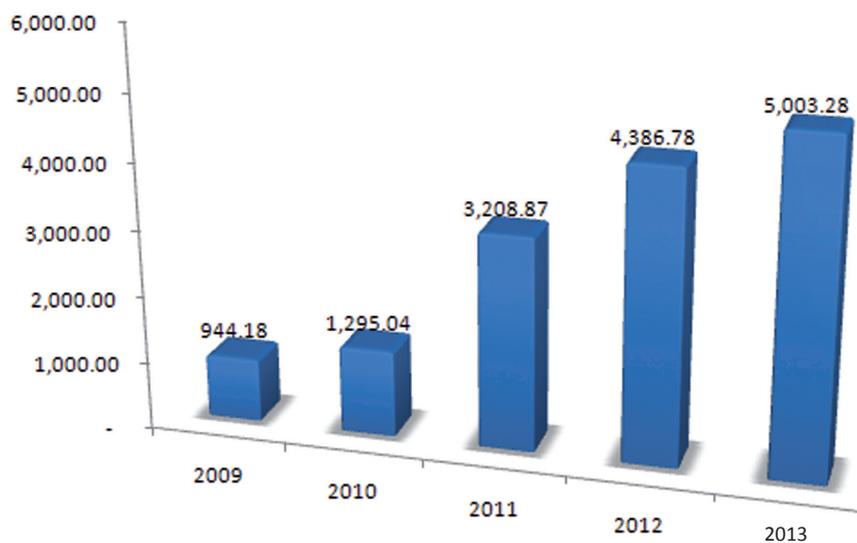
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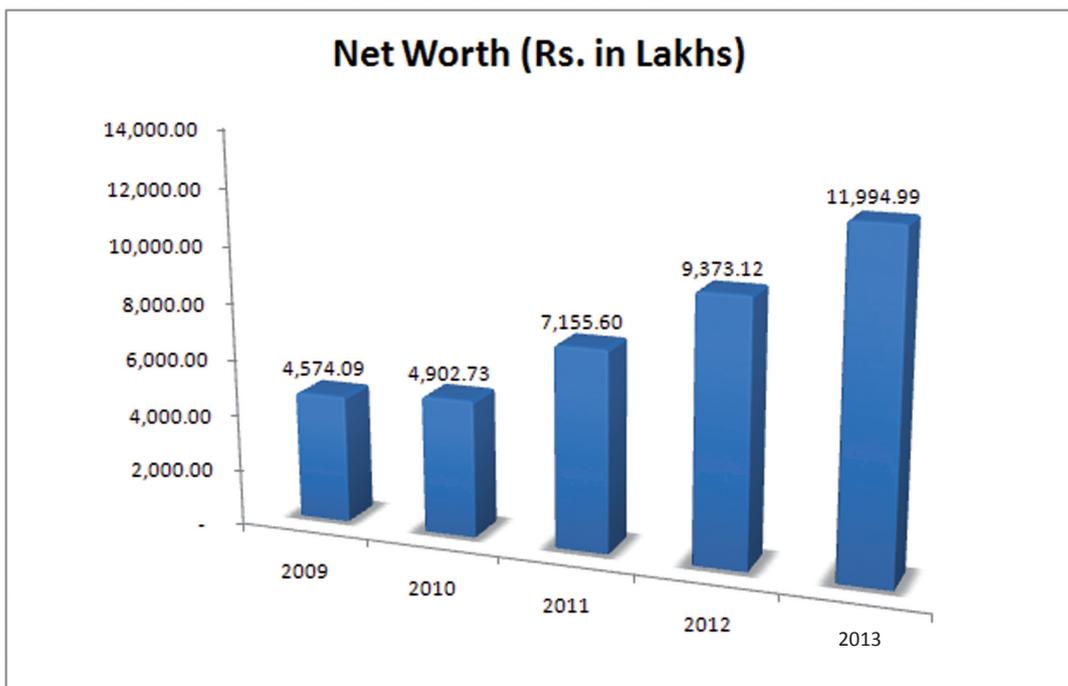
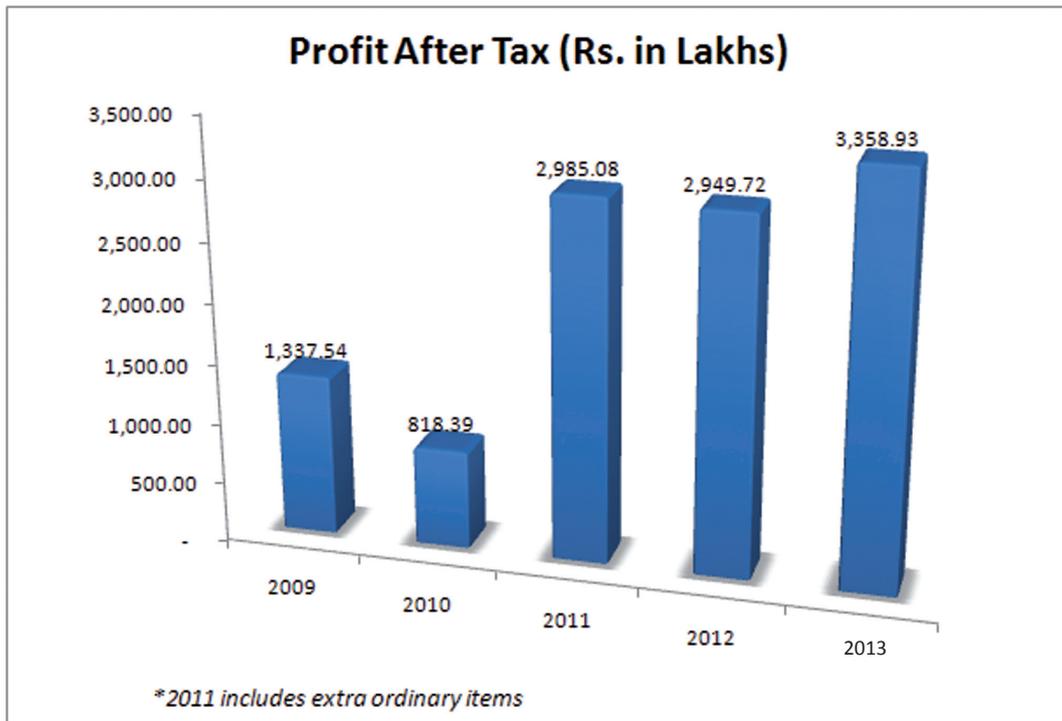


Operating Profit (Rs. in Lakhs)



Profit Before Tax (Rs. in Lakhs)





NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the members of Wonderla Holidays Limited will be held at Wonderla Resort, 28th K M, Mysore Road, Bangalore-562109 on Wednesday, 24th Day of July 2013 at 02.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as on 31st March 2013 and the Profit and Loss Account of the company for the year ended on that date together with the Director's Report and Auditor's report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. George Joseph, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint M/s BSR & Co., Chartered Accountants, Bangalore as Auditors of the Company, for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, and to fix their remuneration.

For and on behalf of the Board of Directors

Sd/-

Santosh Kumar Barik

Company Secretary

Kochi

May 27, 2013

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company.**
2. A blank form of proxy is enclosed and if intended to be used, should be lodged with the company at the Registered Office at least 48 hours before the commencement of the meeting.

3. Members who wish to seek/ desire any further information/clarification on the annual accounts at the meeting are requested to send their queries at least 48 hours in advance of the date of the meeting to the registered office.

Green Initiative in Corporate Governance

4. The Ministry of Corporate Affairs (MCA) has taken a “Green initiative in Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to register their email id in the records of their Depository Participant or intimate their e-mail ID to the Company/ Registrar and Transfer Agent or send it through email at investors@wonderla.com.

Brief particulars of Directors seeking appointment/re-appointment at the Annual General Meeting

Name :	George Joseph
Date of Birth	26/04/1949
Date of Appointment	27/06/2011
Qualifications	B.Com, CAIIB, AIB (London)
Directorship held in other Companies	Muthoot Finance Limited
Memberships/Chairmanships of Committees across Public Companies :	Chairman of Audit Committee in Muthoot Finance Limited
Brief Profile covering experience, achievements etc.	He has worked as the Chairman and Managing Director of Syndicate Bank. Before joining Syndicate Bank, worked in Canara Bank for over 36 years in different capacities from Probationary Officer to General Manager. He has worked in major financial centers like Mumbai, Delhi, Chennai, Bangalore and branches located in different centers. He has worked overseas as Chief Executive of Exchange Company managed by Canara Bank in Bahrain.
Shares held in the Company:	Nil

REPORT OF THE DIRECTORS

To the Members
of Wonderla Holidays Limited

The Directors are pleased to present the 11th Annual report together with the Audited Financial Statements for the year ended 31st March 2013.

ECONOMIC OVER VIEW

India, the world's second populist country had a GDP on a purchasing power parity basis approximately of USD 4.7 trillion for the calendar year 2012. This makes it the third largest economy in the world after the United States of America and China (Source: CIA World Factbook). India's overall growth of Gross Domestic Product (GDP) registered at 5% per cent in 2012-13, after having grown at the rate of 6.9% in the previous year.

India's economic growth began slowing down in 2011 because of a tight monetary policy, intended to address persistent inflation, and a decline in investment, caused by investor pessimism about domestic economic reforms and about the global situation. In late 2012, the Indian Government announced reforms and deficit reduction measures to control high inflation, high interest rates, reduce the gap of fiscal deficit and improve slowing consumption to arrest India's economic slowdown.

The outlook of India's medium-term growth is positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. As per the economic survey report released by finance ministry, economic growth in 2013-14 will be between 6.1% to 6.7%.

The general health of the leisure and hospitality industry is affected by the performance of the Indian economy.

Amusement Park Industry

The global amusement/theme park industry is not anymore just about the amusement rides like giant wheels and roller coasters. The year 2011 saw 196.3 million footfall worldwide

in the top 25 parks (3.80% increase over last year), mainly driven by: (1) American outperformers like Universal Islands of Adventure and SeaWorld San Diego, (2) Asia's attendance milestone of 103.3 million alone in 2011, and (3) a surge in unique creativity and business models in the Asian parks. The North American market grew by 2.90% in 2011, the Asian market grew by 7.50% and the European grew by 2.80% in 2011. (Source: CARE Report)

India's amusement parks industry is not very old as it started with Appu Ghar in Delhi in 1984, followed by Essel World and Nicco Park in Mumbai and Kolkata respectively, established in 1990s and is still in the expansion phase. The size of the amusement parks industry in India is estimated to be around Rs. 26 billion with around 150 amusement parks in India. (Source: CARE Report)

In terms of footfall, Indian amusement parks industry is quite undersized as compared to some of large global amusement parks. The Indian amusement park industry witnesses an annual footfall of around 58-60 million. Footfall depends primarily upon the size, location and offerings of the parks. As India experiences hot climate almost 7-8 months in a year, water parks are a popular format. Most of the large parks situated near metros and Tier I cities attract large crowds ranging from 0.5 million going up to 1.5 million annually. As medium parks are situated in the satellite towns, in the outskirts of metros and Tier I or II cities, they achieve around 0.3 to 0.5 million of footfall. Smaller parks, catering to smaller catchment area as they are located in Tier I or Tier II cities or small towns, draw annual footfall of less than 0.3 million. (Source: CARE Report)

The Indian Amusement Park Industry is evolving and diversifying very rapidly which is evident as India has more recently seen the launch of smaller theme parks, indoor amusement centres and play zones.

Financial Results

(Rs. in Lakhs except Earnings per Share)

	31/03/2013	31/03/2012
Income from Service	12,481.12	10467.20
Income from Sale of Products	1,303.93	846.29
Other Income	151.85	126.00
Total Revenue	13936.90	11439.49
Profit before tax	5,003.28	4386.78
Provision for current tax	1,632.70	1451.80
Provision for deferred tax	11.65	(14.74)
Provision for taxation of earlier years	-	-
Profit after tax	3,358.93	2949.72
Earnings per share	8.00	7.02
Earnings per Share (Excluding extraordinary income)	8.00	7.02

Business Performance / Financial Overview

During the year under review, the total income increased by Rs. 2,497.41 lakhs, or 22% from Rs. 11,439.49 lakhs in FY 2011-12 to Rs. 13,936.90 lakhs in FY 2012-13. This increase was largely due to Rs. 1,479.30 lakhs increase in our income from the sale of entry tickets at our amusement parks, Rs. 436.02 lakhs in room rent and other counter collections, Rs. 457.64 lakhs increase in our income from sale of products, Rs. 98.59 lakhs increase from our share of revenue from restaurant sales & Shops.

The total footfalls at our amusement parks increased by 0.82 lakhs or 3.63% from 22.58 lakhs in FY 2011-12 to 23.40 lakhs in FY 2012-13.

Wonderla Resort, which has completed the first year of operation has generated total revenue of Rs. 594.57 lakhs. Total expenses excluding interest and depreciation was Rs. 788.50 lacs. The operating loss and net loss during the period under review is Rs. 193.93 lacs and Rs. 500.23 lacs respectively with a occupancy ratio of 34 %.

Both the amusement parks at Bangalore and Kochi continues to be popular and are major attractions for the localities and also for visitors of southern states.

APPROPRIATIONS

Available for appropriation	(Rs. in Lakhs)
Profit after tax	3,358.93
Add: Balance brought forward from previous year	4334.50
Total	7693.43
Recommended appropriations	
Transfer to general reserve	251.93
Proposed dividend Rs. 1.50 per share of face value of Rs. 10/- each (15%)	630.00
Dividend tax	107.07
Balance carried forward	6,704.43

Dividend

The Board of Directors have recommended a dividend of Rs. 1.50 per equity share of face value of Rs. 10/- each (15%) subject to the approval of Shareholders at the forthcoming Annual General Meeting.

Future Outlook

Currently, India has around 150 amusement parks of which around 16-18 fall in large category, 40-45 are in the medium category and rest are in the small category as per CARE Research. The amusement parks in India witness an estimated annual footfall of 58-60 million. Amusement park industry in India is estimated to be worth Rs. 26 billion.

CARE Research expects that considering the difficulties in land acquisition and saturation in key locations in cities, new amusement park addition will slow down in metros and Tier I cities, whereas new capacities will come up in the upcoming Tier II cities, outskirts of major cities and major highways. A total of 4,500 acres of capacity is expected to come up in the amusement park space in the next 3-4 years. This new capacity and the existing parks will be one of the major drivers for the footfall which is expected to see growth of 10.00-15.00% and is expected to reach around 78-80 million over next couple of years. Revenue

is expected to grow by 15.00-18.00% on account of rising footfall and increased spend on other items like food and beverages, spas etc.

With aggressive marketing schemes, good number of booking for corporate events and with an emphasis on increasing Food & Beverage sales, barring any unforeseen circumstances, your company looks to the future with confidence.

General Performance Review

During the year under review, the total income increased by Rs. 2,497.41 lakhs, or 22% from Rs. 11,439.49 lakhs in previous year to Rs. 13,936.90 lakhs in FY 2012-13. This increase was largely due to Rs. 1,479.30 lakhs increase in our income from the sale of entry tickets at our amusement parks Rs. 436.02 lakhs in room rent and other counter collections, Rs. 457.64 lakhs increase in our income from sale of products, Rs. 98.59 lakhs increase from our share of revenue from restaurant sales & Shops consequent to 0.82 lakhs increase in total Footfalls at our amusement parks, from 22.58 lakhs in Fiscal 2012 to 23.40 lakhs in Fiscal 2013.

During the year as part of value added service to bolster revenues , Your Company has introduced 'fast track tickets, at both the parks .

Your Company also generates income from food and beverage operations as well as direct merchandising operations at our amusement parks, including on a revenue sharing basis. In order to increase the income as well as to have a better control, Company is now directly purchasing the soft drinks and packed foods and billing them to restaurants. During the year, Your Company added a new restaurant namely 'Fried Chicken Restaurant' at Wonderla-Cochin. Your Company took over the operation of two restaurants one at Wonderla Bangalore and another at Wonderla Kochi, since November, 2012 and April, 2013, respectively to have a better understanding about the food & beverage segment and provide variety of dishes to Visitors.

Your Company intends to broaden our network of sales promotion agents as well as tour operators, so as to reach out directly to a larger number of educational institutes and corporate organizations. The Company has 55 dedicated Sales Promotion Agencies (SPA) apart from tour operators spread throughout India.

For corporate houses, Your Company entrenched facilities such as accommodation at our resort in Bangalore and other requirements for conducting corporate events. Company also introduced special offers and schemes to general customers such as the 'Monsoon Offer', the 'Dasara Celebrations', "Valentine Day Celebrations" etc. through travel agents, mass media campaigns, kiosk activities, and outdoor media such as billboards.

In order to maintain better hygiene and safety at pools, "dress code for water pools" were introduced at both our Parks. The guests are advised to use synthetic material in pools and avoid cotton material. All the staffs members were given training/awareness for the effective implementation of dress code.

Safety, Health and Environment (SHE)

The Company gives utmost importance to the SHE management system. The company is committed to maintaining highest standards of Safety, Health and Environment protection.

Our amusement parks in Kochi and Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards, in the operation and maintenance of our land and water based attractions. We place considerable emphasis on ensuring that our amusement parks are maintained with high safety and hygiene standards. For our water based attractions at Wonderla Bangalore, we use reverse osmosis technology to ensure that the water is potable, clean and safe. At both, Wonderla Bangalore and Wonderla Kochi, we have set up extensive water filtering and recycling systems for each pool and a quality control laboratory for the purpose of carrying out quality checks on samples of water collected at regular intervals. We have installed lightning arrestors as a precautionary measure against lightning hazards. Apart from these specialized measures and installations, we also ensure that certain other basic safety measures are undertaken including harnesses for our rides and attractions, availability of first-aid supplies and trained medical officers and life guards stationed at all our attractions at our amusement parks in Kochi and Bangalore.

We have incorporated certain processes in our day to day operations that are environment friendly in nature. We have been awarded the ISO 14001:2004 for protecting and conserving nature and natural resources. With respect to water conservation, we have sewage treatment plants to treat effluent water as per norms of State Pollution Control Board. We use the treated water for gardening and plantation purposes and we have been

categorised as a 'green' establishment by the Kerala State Pollution Control Board in the year 2008. Further, for the purpose of rainwater harvesting, we have also built special reservoirs where rain water is stored and efficiently used to meet a part of our sanitation and gardening needs. We have two artificial ponds for rain water harvesting with a combined capacity of 1.65 crores litres of water including two roof water collection tanks for rain water. We try to reduce our carbon foot print by conserving conventional energy resources and by using solar energy to heat water for all water based rides during winter We use Solar Photo Voltaic Cells to generate electricity and Indian Association of Amusement Parks & Industries awarded our Bangalore amusement park as Winner in the category of Special Award for Energy Saving by Using Solar Photo Voltaic Cells. We have also instituted Wonderla Environment & Energy Conservation Award for educational institutions in Bangalore as part of our environment protection initiatives.

An AED (Automated External Defibrillator) has been installed at First Aid of both the Parks at Kochi and Bangalore to ensure immediate treatment in case of cardiac arrest. Detailed training about the usage of equipment has been given to the employees.

Management Discussion and Analysis report

The Management Discussion & Analysis Report forms part of the Annual Report. The report provides strategic direction and a more detailed analysis on the performance of Company and the future outlook.

Corporate Social Responsibility

As part of corporate social responsibility initiatives, your company regularly makes donations to nongovernmental organizations working towards treatment of cancer patients, trusts for disabled people and children's homes. Further, we have initiated a project titled "Education - Enriching Lives", and as part of the said initiative, we distributed stationary, school bags and other materials to over 350 children of various educational institutions, for the academic year 2012-13. We have also instituted the 'Wonderla Green Awards' at both the parks rewarding the schools which adopt innovative and comprehensive steps to conserve nature and natural resources. As part of our ongoing corporate social responsibility initiative we provide free medical consultation from a doctor to the villagers who reside near Bangalore park.

Information Technology:

We rely on our IT systems to provide us with connectivity across our business functions through our software, hardware and network systems. Our business processes are IT enabled to track, record and analyze work in progress, process financial information, manage creditors/debtors or engage in normal business activities.

A dedicated department takes care of all the Information Technology issues of the company. In order to mitigate the risk of hardware failure, the Company has put in place first stage data backup and recovery system and maintains a separate server for data backup for accounts department.

Financial Review

Earnings

Revenue

The total income increased by 22% from Rs. 11,439.49 lakhs in previous year to Rs. 13,936.90 lakhs in FY 2012-13

Profit Before Tax

The profit before tax increased by 14.06% from Rs. 4386.78 Lakhs in previous year to Rs. 5003.28 Lakhs in FY 2012-13.

Profit After Tax

The profit after tax increased by 13.86% from Rs. 2949.72 lakhs in previous year to Rs. 3358.93 lakhs in FY 2012-13.

Investments

The Company's investment as on 31-3-13 was Nil.

Costs/Expenses

The total expenses have gone up by 27% from Rs. 7052.70 lakhs in previous year to Rs. 8933.61 lakhs in FY 2012-13.

Financial Position

Shareholder Funds

The shareholders funds as on 31.03.2013 was Rs. 11994.99 lakhs against Rs. 9,373.12 lakhs of previous year. The book value of the share, accordingly, stands at Rs. 28.56 as compared to Rs. 22.32 for the previous year.

Loan Funds

The Company utilizes the Over Draft limit only for meeting temporary mismatch in the cash flow. The term loan outstanding as on 31st March 2013 was of Rs. 2,101.56 lakhs as against Rs. 2,215.39 lakhs as on 31st of March 2012.

Assets

Fixed assets

The capital expenditure including capital work in progress during the year was Rs. 3,625.11 lakhs against Rs. 3,630.09 lakhs during the previous year. The net fixed asset was Rs. 14,395.10 lakhs compared to Rs. 12,101.81 lakhs previous year.

Inventories and Sundry Debtors

The overall inventory has gone up by Rs. 99.05 lakhs compared to previous year.

The Receivables as on 31st of March 2013 is 48.62 lakhs.

Ratio

The Return on Equity (ROE) was 28% compared to 31% in previous year.

Recognitions and Awards

We have won several awards and accolades for our amusement parks in Kochi and Bangalore. Our parks, Wonderla Kochi and Wonderla Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards and ISO 14001: 2004 environment protection standards, for the operation and maintenance of our land and water based attractions as well as for the related amenities that we provide

to our customers. We have won several awards instituted by the Indian Association of Amusement Parks and Industries (“IAAPI”), including, among others, the IAAPI excellence award for the highest number and variety of innovative rides won by us four times, most recently for the year 2012-13, the IAAPI excellence award for the most innovative ride won by us three times, most recently in 2012-13 and the IAAPI excellence award for innovative promotional activity won by us three times, most recently for the year 2012-13.

Directors

During the year under review, there are no changes in the composition of Board of Directors of the Company except Ms. Priya Sarah Cheeran Joseph who has been re-designated as Non-Executive Director of the Company w.e.f. 1st of March, 2013.

Fixed Deposits

The Company has not accepted any public deposits and, as such, no amount towards principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

Corporate Governance

The Report on Corporate Governance is annexed to the Annual Report.

Auditors

M/s B S R & Co., the statutory auditors of the Company hold office, in accordance with the provisions of the Companies Act, 1956, up to the conclusion of the ensuing Annual General Meeting. The Company has received the requisite certificate from them pursuant to Section 224(1B) of the companies Act, 1956 confirming their eligibility for re-appoint as Auditors of the Company.

Directors Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their Knowledge and belief confirm that:

- in the preparation of the Profit & Loss Account for the financial year ended 31st March 2013 and the Balance sheet as at that date (“financial statements”) applicable accounting standards have been followed.

- appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit of the company for that period.
- 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 fraud and other irregularities. To ensure this, the company has established internal control systems, commensurate with its size and nature of operations. In weighing the assurance provided by any such system of internal control, its inherent limitations should be recognized. These systems are reviewed and updated on an ongoing basis. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems.
- The financial statements have been prepared on a going concern basis.

Disclosure of Statutory Particulars

Information required under Section 217 (1) (e) and Section 217 (2A) of the Companies Act 1956 are given in Annexure A and B and forms part of this Report.

Acknowledgement

Your Directors gratefully acknowledge the contribution made by employees at all levels towards the success of your company. Their hard work and dedication have been pivotal to your Company's growth.

Your Directors are also thankful for the cooperation and assistance received from the customers, vendors, Financial institutions, Banks, Regulatory and governmental authorities.

By order of the Board
For Wonderla Holidays Limited

Sd/-
George Joseph
Chairman

Place : Kochi
Date : 27th May 2013

Annexure to the Directors Report

Annexure A

Information under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules 1988 and forming part of Director's Report.

A. Conservation of energy

(a)	Energy Conservation measures taken	To improve conservation of energy the following measures are taken.
		1. Energy conservation orientation program for 40 selected technical staff.
		2. Implementation of energy conservation program derived through Orientation program, through the BEE approved energy auditor.
		3. Optimized the lighting at Wave pools by replacing existing halogen fittings with LED and CFL's.
		4. Pumps - started replacing less efficient with energy efficient pumps.
		5. Replaced existing 36W tube lights at sky wheel tower and Convoy with energy efficient 14W T5 lamp fittings.
		6. A 40 kW Solar PV plant has been installed and total energy produced to approximately 32000 units.
		7. Reduced the usage of chemicals by avoiding pre treatment of borewell water & elimination of acid for RO. (Per day saving is as follows: Poly Aluminium Chloride -18 Ltrs, Lime - 4 Kg, Poly Electrolyte - 0.5 Ltrs, HCl- 60 Ltrs.)
		8. Control of water coolers through timers.
		9. Park and ride schedule to optimize the power utilization.
		10. Rescheduling of raw water pumping.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.	The following proposals are approved for implementation as part of energy conservation program.
	1. Installation of additional Solar PV systems.
	2. Energy cell- for monitoring and controlling the energy usages.
	3. Operation and maintenance system review.
	4. Optimize lighting at restaurants and Administration building.
(c) Impact of the measures at (a) and (b) above for reduction of Energy consumption and consequent impact on the cost of production of goods.	Operating cost of water treatment has come down, with reduced water consumption, even with steady increase in footfalls. Optimization of electrical power
(d) Total energy consumption and energy consumption per unit of production as per Form A of the annexure in respect of Industries specified in the Schedule there to.	----- N A -----

B. Technology absorption

Research and Development (R&D)	
1. Specific areas in which R&D carried out by the Company	
2. Benefits derived as a result of the above R&D	
3. Future Plan of action	
4. Expenditure on R&D	Nil
Technology absorption, adoption and innovations	
1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Installation of foreign rides without compromising the quality and safety.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution etc.	Capacity of the rides increased. Import /capital cost reduced. Ease in maintenance and reprogramming.

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Outgo

Forex Outgo	Foreign Currency	INR
Euro	120,507	8,124,088
SGD	20,112	909,126
USD	1,008,458	55,257,768
Total	1,149,077	64,290,982

Annexure I

Statement of Employees' Remuneration

The details of employees drawing remuneration in excess of Rs. 5,00,000 per month or Rs. 60,00,000 per annum as required under Section 217 (2A) of the Companies Act 1956.

Name and Age	Designation/ Nature of duties	Gross Remuneration paid in 12-13 Rs.	Qualification and Experience (Years)	Date of Commencement of Employment	Previous employment
Kochouseph Chittilappilly	Vice Chairman	80.77 lakhs	M.Sc (Physics) 33 years	01.04.2012	V-Guard Industries Ltd.

Note

Remuneration has been calculated in accordance with clarification given by the Department of Company Affairs in their circular No. 23/76(No. 8/27) (217A/75-CLV) dated 6th August 1976. Accordingly, perquisite have been valued in terms of actual expenditure incurred by the Company in providing benefits to the employees except in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy, a notional amount as per Income Tax Rules has been added in such cases.

By order of the Board
For **Wonderla Holidays Limited**

Sd/-

George Joseph
Chairman

Place : Kochi

Date : 27th May 2013

Management Discussion and Analysis Report

Industry Structure & Developments

Amusement park is the generic term for a collection of rides and other entertainment attractions, assembled for the purpose of entertaining a large group of people. An amusement park stands out from a simple city park as it is more elaborate and provides attractions meant to cater to adults, teenagers, and kids. Amusement parks evolved from European fairs and pleasure gardens, which were created for recreation purpose. The oldest amusement park in the world is Bakken, north of Copenhagen, Denmark, which opened in 1583. The World's Columbian Exposition also holds a great name in the amusement park history. It was held in Chicago in 1893, and marked the introduction of the concept of the ferris wheel and also other amusement rides which are used in the amusement parks till date. The concept of roller coaster ride began as a winter sport in Russia in the 17th century, and these gravity driven railroads were the beginning of the search for more thrilling amusement rides. The modern concept of amusement cum theme park was developed in the US in the 19th century, followed by the formation of Disneyland in 1955, which continues to be the global leader till date. The industry today is worth around US\$ 25 billion. The industry continues to stay dominated by the US, contributing almost half of the pie, followed by Asia Pacific and Europe, whereas Canada and Latin America form a small portion of the global market share. (Source: CARE Report)

First amusement park in India i.e. Appu Ghar was opened in 1984 in Delhi. The real growth of the amusement park industry was witnessed during 90's when the large parks like Essel World in Mumbai, Nicco Park in Kolkata, Ramoji Film City in Hyderabad were set up. The mid 90's also saw emergence of domestic equipment manufacturers to serve the amusement park industry in the country. In the next decade, most of the existing and upcoming amusement parks started focussing on integrated offering combining amusement park services with others like resorts, water parks etc. In this decade, some of the amusement parks went for strategic alliances with foreign players in order to bring in more capital for expansion and access the know-how. Kishkinta was India's first theme park set up in Chennai based on legend of the monkey kingdom described in the Ramayana.

Opportunities & Threats

Opportunities:

- **Demographic Advantages**

India is one of the youngest countries in the world with the median age of 26.5 years, compared to 37.1 years in US, 45.4 years in Japan and 35.9 years in China (Source: CIA, The World Factbook and CARE Research). According to the CARE Report, among all the age-groups, children below 15 years of age have greatest attraction for amusement parks (though the overall footfall of adults is higher, kids drive their families to amusement parks). In India, around 28.50% of the population lies in the age-group of 0-15 years, 63.40% in 15-59 years and 8.10% in 60 years and above, respectively.

- **Rising Income Levels**

In the last decade, Indian economy has progressed rapidly. With the progress of the economy, India's per capita GDP (constant price) has gone up from Rs. 32,037 in 2005-06 to Rs. 46,555 in 2011-12, fuelling a consumption boom in the country. (Source: CARE Report).

- **Increased Spending on Tourism and Leisure Activities**

In the last 6-7 years, there had been a steady growth in domestic spend on tourism, growing at a CAGR of 13.70% to USD 73.4 billion in CY 2011. With rising income levels, Indians are spending more on tourism related activities. Holidaying, leisure and recreation related tourism constitutes major part of the domestic tourism.

- **Rising Urbanization, Increased spending on Leisure**

The census of 2011 has seen equal increase in rural and urban population over 2001 in absolute terms as both grew by around 90 million over the decade. Level of urbanization increased from 27.81% in 2001 census to 31.16% in 2011 census. More urbanization means more population in the catchment area of an amusement park. Also, urbanization generally leads to higher per capita income and higher spending and rise of nuclear families, both of which help increase the per capita spending on leisure related activities including amusement parks. (Source: CARE Report)

- **Growth in tourism**

Amusement parks are primarily driven by domestic tourist as foreign tourists constitute less than 1.00% of the visitors to amusement parks. With rising economic activity, domestic tourism is expected to increase attracting more Footfalls in the major cities of India. CARE Research expects the domestic tourism industry to grow at lower double digits in terms of tourist arrivals. (Source: CARE Report)

Threats

- **Capital Intensive Business**

Most of the large parks require huge investment. To add to that, the last 6-7 years have seen a huge run up in land costs, making the investment in the amusement park higher. The pyramid of large park, medium park and small park is getting flatter as new investments are coming in either ultra large parks or in small parks and family entertainment centres. (Source: CARE Report)

- **Competition from existing players**

In the last couple of decades, metros and major Tier I cities have seen rise of amusement parks. It is very difficult to accommodate a large number of amusement parks in a metro or major city, making it a difficult proposal for the upcoming projects. Hence, most of the new projects are projecting themselves as 'Entertainment Hub' providing a wholesome entertainment experience by providing an amusement park combined with other attractions like a resort, shopping mall, golf course etc. (Source: CARE Report).

- **Land Acquisition becoming critical**

One of the biggest challenges for new projects is land acquisition. The much talked-about Land Acquisition Bill, is still pending before the Parliament after being passed by Group of Ministers. The draft of the Land Acquisition Bill proposes consent of 'two-third' of 'land losers' (from whom land would be purchased) for acquiring land for public private partnership projects and for private projects for public purpose. The Land Acquisition Bill, if passed, will draw clear guidelines and speed up the process for land acquisitions in the future projects. Amusement parks are extremely land intensive as large parks require around 40-50 acres with some of the current mega projects going up to 300 acres. Some of the proposed amusement park projects

have suffered due to uncertainty in the land acquisition process. Though the Land Acquisition Bill will have its limitation, it will help in defining the guidelines. (Source: CARE Report).

Future Outlook

Currently, India has around 150 amusement parks of which around 16-18 fall in large category, 40-45 are in the medium category and rest are in the small category as per CARE Research. The amusement parks in India witness an estimated annual footfall of 58-60 million. Amusement park industry in India is estimated to be worth Rs. 26 billion. (Source: CARE Report)

CARE Research expects that considering the difficulties in land acquisition and saturation in key locations in cities, new amusement park addition will slow down in metros and Tier I cities, whereas new capacities will come up in the upcoming Tier II cities, outskirts of major cities and major highways. A total of 4,500 acres of capacity is expected to come up in the amusement park space in the next 3-4 years. This new capacity and the existing parks will be one of the major drivers for the footfall which is expected to see growth of 10.00-15.00% and is expected to reach around 78-80 million over next couple of years. Revenue is expected to grow by 15.00-18.00% on account of rising footfall and increased spend on other items like food and beverages, spas etc.

Safety features

Your Company's amusement parks in Kochi and Bangalore have been certified by Bureau Veritas Certification (India) Private Limited for meeting the BS OHSAS 18001: 2007 safety standards, in the operation and maintenance of our land and water based attractions. Company places considerable emphasis on ensuring that our amusement parks are maintained with high safety and hygiene standards. For Company's water based attractions at Wonderla Bangalore, Company uses reverse osmosis technology to ensure that the water is potable, clean and safe. At both, Wonderla Bangalore and Wonderla Kochi, we have set up extensive water filtering and recycling systems for each pool and a quality control laboratory for the purpose of carrying out quality checks on samples of water collected at regular intervals. We have installed lightning arrestors as a precautionary measure against lightning hazards. Further, we have generators with a combined capacity of 4.9MVA to ensure continuous supply of power. Apart from these specialised measures and installations, your Company also ensures that certain other basic safety measures are undertaken including harnesses for our rides and attractions, availability of first-aid supplies and trained medical

officers and life guards stationed at all water based attractions at our amusement parks in Kochi and Bangalore.

Selection and design of rides: Your Company strictly follow certain standards, such as IS 800-1984 (Code of Practice for General Construction in Steel) and EN 13814 (European Standard - Fairground and Amusement Park Machinery and Structures Safety), in the design and selection of amusement rides. We have also adopted a two tier locking system for the safety locks used in our amusement parks and a computerized stress analysis is carried out for all critical components. The materials used for the manufacture/ construction of our amusement rides are selected as per certain design standards, such as, IS 2062 (Specification of Steel for General Structural Purpose) and IS 4923 (Specification of Steel for Structural Use). Further, alloy steel is used for critical components, such as, shaft and axles, based on test reports of the specimens bought. The manufacture/ construction of rides is carried out under strict supervision and non-destructive tests such as dye penetrant tests are carried out thereafter. Advanced methods are used for fabrication and critical weld joints are tested for safety.

Ride installation, commissioning and trials: The installation is carried out as per the instructions from the manufacturer and load tests carried out before the commissioning of the rides. The various parameters like deflection, vibration etc. are monitored during the tests and are checked with design values to ensure safety and the ride components are modified or strengthened based on such test results, if required.

Ride operation: The operation of rides is controlled by maintaining log books. Ride assistants are deployed to help riders to embark and disembark safely. Prior to operation, daily monitoring is confirmed and trial runs undertaken by senior technicians. During operation, technicians are deployed to inspect the condition of rides. An emergency stop is provided for riders wherever possible. In case of power failure, rides are designed to stop at home position and manual recovery systems are provided to disembark riders where ever possible. CCTVs are provided to monitor the condition of critical areas of the ride. Further, the weather conditions are monitored to ensure safe operation of rides.

Zoning of rides: Rides are divided into different zones for detailed monitoring, control of maintenance and operational effectiveness. Each of the zones is headed by senior technicians who report to the concerned supervisors for operation and maintenance.

Ride maintenance: Condition of rides is monitored through daily, monthly and annual preventive maintenance measures based on certain prescribed standards. The preventive maintenance schedules are prepared annually, for proper planning of manpower and the work involved. Shutdown maintenance of rides is prioritized taking into consideration the complexity and frequency of operation of the shut down maintenance required. All procedures in relation to ride operation, ride maintenance and emergency conditions are in line with Bureau Veritas Certification India approved documents.

Component testing: All critical parts are monitored periodically by ultrasonic tests, radiography and vibration analysis.

Ride operation and maintenance technicians: Industrial Training Institute certified technicians are deployed for operation and maintenance of critical rides. Experienced and well trained employees are engaged for the operation of smaller rides. Every technician undergoes training for three to six months before he is independently assigned ride operation or maintenance work. The technicians are also trained for emergency situations and mock drills are conducted at specified intervals to ensure their capability to cope with emergency situations. The behavioural aspects of ride operators are observed and training given at regular intervals for efficiency improvement. The duty timings of the operators are conveniently arranged to ensure their involvement in their assigned work. The daily monitoring of rides and operation of rides is carried out by different technicians.

Incident reporting: Even minor incidents are recorded and investigated by a team comprising of a supervisor and technician and corrective actions are adopted to avoid repetition and reviewed periodically. The technicians are trained for emergency situations during operation of the rides such as fire, accidents etc. and training conducted at specified intervals to ensure their capability to cope with emergency situations. Critical tools and other equipments are placed near the rides to meet emergency situations.

Human Resources

As of March 31, 2013, Your Company had 704 employees, comprising 35 employees in our management division, 269 employees in our technical divisions, 147 employees in our administrative division, 153 employees as part of our amusement park staff and 100 employees as part of our resort operations. Company believes that a motivated and dedicated employee base is the key to our success in managing our amusement parks and has allowed us to provide a safe and exciting experience for our visitors.

As of March 31, 2013, we have 272 employees working at **Wonderla Kochi**, comprising 17 employees in our management division, 119 employees in our technical divisions, 61 employees in our administrative division and 75 employees as part of our amusement park staff.

As of March 31, 2013, we have 308 employees working at **Wonderla Bangalore**, comprising 13 employees in our management division, 137 employees in our technical divisions, 81 employees in our administrative division and 77 employees as part of our amusement park staff.

As of March 31, 2013, we also have 4 employees working at **Wonderla Hyderabad**, comprising 2 employees in our management division, 1 employee in our administrative division and 1 employee as part of our amusement park staff.

As of March 31, 2013, we have 120 employees working at **Wonderla Resort**, comprising 3 employees in our management division, 13 employees in our technical divisions, 4 employees in our administrative division and 100 employees as part of our resort operations.

Disclaimer

Statements in this “Management’s Discussion and Analysis” report describing the Company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global conditions, changes in the Government regulations, tax regimes, economic developments and other factors such as litigation, change in climate etc.. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

By order of the Board
For Wonderla Holidays Limited

Sd/-
George Joseph
Chairman

Place : Kochi
Date : 27th May 2013

REPORT ON CORPORATE GOVERNANCE

GOVERNANCE PHILOSOPHY

Your Company is committed to maintain the highest standards of corporate governance.

The Company believes that “Corporate Governance” refers to the processes and structure by which the business and affairs of the Company are directed and managed, in order to enhance long term shareholder value through enhancing corporate performance and accountability, whilst taking into account the interests of all stakeholders.

The company strives to adopt the best governance and disclosure practices with the following principles in mind:

- (a) Satisfaction of the spirit of the law through ethical business conduct.
- (b) Transparency and a high degree of disclosure levels.
- (c) Truthful communication about how the company is run internally.
- (d) A simple and transparent corporate structure driven solely by the business needs.
- (e) Establishment of an efficient Corporate Structure for the management of the Company’s affairs.

BOARD OF DIRECTORS

a) Composition

The current strength of the Board of Directors of the Company is five. Two out of five Directors are Whole Time Directors; Three of the Directors including Chairman are Non-executive Directors All the Directors have intimated periodically about their Directorship and Membership in the various Board Committees of other companies, which are within permissible limits of the Companies Act, 1956 and Corporate Governance code. The details of the Directors with regard to their outside directorships, committee positions as on 31.03.2013 are as furnished below.

Name	Category	No. of Directorships	No. of Committee memberships
		Public Limited Companies	Public Limited Companies
Mr. George Joseph	Chairman	1	1
Mr. Kochouseph Chittilappilly	Vice Chairman	2	Nil
Mr. Arun K. Chittilappilly	Managing Director	Nil	Nil
Ms. Priya Sarah Cheeran Joseph	Non-Executive Director	Nil	Nil
Mr. M.P. Ramachandran	Director	5	3

Note:

- 1) Number of other Directorships indicated above is exclusive of Directorships on the Board of Private Ltd Cos (which are not holding or subsidiaries of public cos)/Foreign Cos /Alternate Director ship /Section 25 Companies.
- 2) The details of Committee membership/Chairmanship are in relation to the specified Committees viz. Audit Committee and shareholders' Grievance Committee of Indian public Limited Companies.

b) Board Meetings

The day-to-day business is conducted by the executives of the Company headed by the Managing Director. The Board holds periodic meetings to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board also reviews periodically the compliance of all applicable laws.

The Board met five times during the financial year 2012-13 on the following dates: 30.06.2012, 09.08.2012, 09.11.2012, 17.12.2012 and 22.02.2013.

Name	No. of Board Meetings		Attended AGM
	Held	Attended	
Mr. George Joseph	5	5	Yes
Mr. Kochouseph Chittilappilly	5	5	Yes
Mr. Arun K. Chittilappilly	5	5	Yes
Ms. Priya Sarah Cheeran Joseph	5	5	Yes
Mr. M.P. Ramachandran	5	4	Yes

Remuneration paid or payable to executive Directors for the year ended March 31, 2013

Name of the Director	Salary	Perquisites	Sitting Fees	Commission	Total
Kochouseph Chittilappilly	Rs. 42.53 lacs	-	-	Rs. 38.24 lacs	Rs. 80.77 lacs
Arun K. Chittilappilly	Rs. 31.44 lacs	Rs. 1.39 lacs	-	Rs. 25.50 lacs	Rs. 58.33 lacs

Remuneration paid or payable to Non-Executive Directors for the year ended March 31, 2013

Name of the Director	Salary	Perquisites	Sitting Fees	Commission	Total
George Joseph	-	-	Rs. 1.6 lacs	Rs. 9 lacs	Rs. 10.6 lacs
M.P. Ramachandran	-	-	Rs. 1.3 lacs	-	Rs. 1.3 lacs
Priya Sarah Cheeran Joseph*	Rs. 27.20 lacs	-	-	Rs. 17.21 lacs	Rs. 44.41 lacs

Note- * Ms. Priya Sarah Cheeran Joseph re-designated as Non-Executive Director of the Company w.e.f. 1st of March, 2013.

Code of Conduct

The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors have laid down a Code of Conduct applicable to all the Board members and senior management of the Company. All the Board members and senior management have affirmed compliance of the code of conduct.

Wonderla Code of Conduct

The Board has laid down a code of conduct for all the Board of Directors and senior level management of the Company. It is further confirmed that all the directors and senior management personnel of the company have affirmed compliance with the code of conduct of the company for the financial year 2012-13. The Managing Director has affirmed that all the Board members and Senior Management personnel have complied with the Code of Conduct of the Company.

CONFIRMATION OF THE CODE OF CONDUCT AND ETHICS BY MANAGING DIRECTOR

To,

The Members
Wonderla Holidays Limited
Registered office, 28th km,
Mysore Road,
Bangalore-562 109

This is to confirm that the Company has adopted “Wonderla Holidays Limited Code of Conduct and Ethics” for its employees including the officers and Board Members.

I hereby conform that all the directors, officers and employees of the company have affirmed compliance to their respective Codes of Conduct and Ethics, as applicable to them for the financial year ended March 31, 2013.

Place : Kochi

Date : 27th May, 2013

Sd/-

Arun K Chittilappilly
Managing Director

Audit Committee

Your Company has constituted an Audit Committee at the Board level which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors and oversees the financial reporting process. The terms of reference of the Committee are in line with Companies Act, 1956. This inter alia includes ensuring the effectiveness of the audit function of the Company, review the systems and procedures of internal control, overseeing the Company's financial reporting process, and reviewing with management the periodical and annual financial statements before submission to the Board.

Mr. George Joseph, Mr. Arun K Chittilappilly and Mr. M.P. Ramachandran Directors of the Company are the members of Audit Committee. Mr. George Joseph is the Chairman of the Audit committee.

During the year under review, the Audit Committee met 4 times on 30.06.2012, 09.08.2012, 09.11.2012 and 22.02.2013 to monitor and review on various matters. The details of the attendance by the Committee members are as follows. The Vice President Finance is the permanent invitee to the Committee and the Statutory Auditors, the Internal Auditors and other senior management executives are invited to participate in the meetings of the Audit Committee wherever necessary, as decided by the Committee.

Name	No. of Committee Meetings	
	Held	Attended
Mr. George Joseph	4	4
Mrs. Priya Sarah Cheeran Joseph	4	3
Mr. Arun K Chittilappilly	4	4
Mr. Kochouseph Chittilappilly	4	3
Mr. M.P. Ramachandran	4	4

Note: Audit Committee re-constituted on 17th December 2012 and Mr. Kochouseph Chittilappilly and Mrs. Priya Sarah Cheeran Joseph, Directors of the Company are not the members of the audit committee with effect from 17.12.2012.

Terms of reference of the Audit Committee:-

1. Oversight of our Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to our Board the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fee;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements before submission to our Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the initial public offer of our Company;
7. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

8. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
9. Discussion with internal auditors on any significant findings and follow up there on;
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non payment of declared dividends) and creditors;
13. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
14. Approval of appointment of chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Compensation Committee

Your Company has constituted a Compensation Committee at the Board level which regulates and supervises the compensation pattern according to the financial position of the Company. The terms of reference of the Committee are in line with Companies Act, 1956. This inter alia includes ensuring the effectiveness of the remuneration function of the Company, review the systems and procedures of payment of remuneration to the respective directors.

Mr. George Joseph, Mr. Arun K Chittilappilly, Mr. Kochouseph Chittilappilly and Mr. M.P. Ramachandran, Directors of the Company are the members of Compensation Committee. Mr. George Joseph is the Chairman of the Compensation committee.

The Compensation Committee of the Board was constituted by the Board at its meeting held on December 17, 2012.

Terms of reference of the Compensation Committee:-

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:
 - The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
2. To recommend to the Board, the remuneration packages of Company's Managing/ Joint Managing/ Deputy Managing/Whole time Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
3. To be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole Time Executive Directors, including pension rights and any compensation payment;
4. Perform such functions as are required to be performed by the Compensation Committee under the ESOP Guidelines, in particular, those stated in Clause 5 of the ESOP Guidelines;
5. To implement, supervise and administer any share or stock option scheme of our Company
6. To attend to any other responsibility as may be entrusted by the Board within the terms of reference and
7. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Shareholders'/Investors' Grievances Committee.

The Shareholders'/Investors' Grievances Committee of the Board was constituted pursuant to a resolution passed by the Board at its meeting held on December 17, 2012.

Mr. George Joseph, Mr. Arun K Chittilappilly, Mrs. Priya Sarah Cheeran Joseph and Mr. M.P. Ramachandran, Directors of the Company are the members of Shareholders'/

Investors' Grievances Committee. Mr. M.P. Ramachandran is the Chairman of the Shareholders'/Investors' Grievances Committee..

Name	No. of Committee Meetings	
	Held	Attended
Mr. George Joseph	2	2
Mrs. Priya Sarah Cheeran Joseph	2	2
Mr. Arun K Chittilappilly	2	2
Mr. M.P. Ramachandran	2	1

Terms of reference of the Shareholders'/Investors' Grievances Committee:-

1. Power to approve share transfers,
2. Power to approve Share transmission,
3. Power to issue duplicate Shares certificates,
4. Power to approve and issue fresh share certificate by way of spilt or consolidation of the existing certificate or in any other manner,
5. To monitor the resolution of all types of shareholders/investors grievances
6. Power to allot shares, partly or fully paid up, convertible debentures or other financial instruments convertible into equity shares at a later date,
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting.

DISCLOSURES

(A) Related party transaction

The details of all significant transactions with related parties are periodically placed before the Board.

(B) Disclosure of accounting treatment

In the preparation of financial statements, the Company has followed the Accounting Standards notified by the Central Government, as prescribed under Companies (Accounting Standard) Rules, 2006 and amended up to date.

(C) Risk Management

The Company has comprehensive risk management policy and the same is periodically reviewed by the Board of Directors.

(D) Details of the Share Holding of Directors as on 31st March 2013

Name of the Director	No. of Shares (Rs. 10/- per share Paid up)
Mr. George Joseph	Nil
Mr. Kochouseph Chittilappilly	1,73,75,792
Mr. Arun K. Chittilappilly	79,10,200
Ms. Priya Sarah Cheeran Joseph	15,00,000
Mr. M.P. Ramachandran	Nil

(E) Management

No material transaction has been entered into by the Company either with the senior management or their relatives that may have a potential conflict of interest with the Company at large. The declaration to this effect has been submitted by all the senior management employees.

GENERAL BODY MEETINGS

Details of Annual General Meetings

Location and time, where last three Annual General Meetings held:

Year	Date	Time	Venue
2011-12	09.08.2012	11.30 AM	Jadenahalli , Hejjala. P.O, 28 th KM, Mysore Road, Bangalore-562109
2010-11	12.09.2011	03.30 PM	Jadenahalli , Hejjala. P.O, 28 th KM, Mysore Road, Bangalore-562109
2009-10	18.09.2010	11:00 AM	Jadenahalli , Hejjala. P.O, 28 th KM, Mysore Road, Bangalore-562109

SPECIAL RESOLUTIONS PASSED DURING THE LAST THREE YEARS:

During last three years eleven special resolutions were passed and listed the special resolutions as under:

- 1) The shifting of the Registered Office of the Company at the AGM held on 28.12.2009 as follows:

“RESOLVED THAT the consent of the members is hereby accorded in accordance with the provisions of Section 146(2) of the Companies Act, 1956 and other application provisions, to shift the Registered Office of the Company from 648/B, Binnamangala, 1st Phase, Indira Nagar, 1st Stage, Bangalore-560038 to Jadenahalli, Hejjala P.O., 28th K M Mysore Road, Bangalore-562109, with effect from 1st April, 2010.

- 2) Appointment of Statutory Auditors of the Company at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT subject to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, BSR & Co, Chartered Accountants, Bangalore be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion this Extra ordinary general meeting until the conclusion of the next annual general meeting of the Company and the Board of Directors of the Company be and are hereby authorized to fix their remuneration”.

- 3) Conversion of the Company into Public Limited and deleting the restriction provisions of Section 3(1)(iii) of the Companies Act, 1956 at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT pursuant to proviso to Section 44 of the Companies Act, 1956 and any other provisions of the act, if any, applicable, the company be converted into a Public Limited Company”.

- 4) Changing the name of the Company by deleting the word ‘Private’ from the name of the Company at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT pursuant to the proviso to Section 21 of the Companies Act, 1956, the name of the company be and is hereby changed from “Wonderla Holidays Private

Limited” to “Wonderla Holidays Limited” and the name clause in the Memorandum and Articles of Association of the company be also accordingly altered.”

- 5) Altering the Articles of Association of the Company at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT pursuant to proviso to Sub-section(1) of Section 31 of the Companies Act, 1956 and any other provisions of the act, if any, applicable, the Articles of Associations of the company be altered”.

“RESOLVED FURTHER THAT articles 1, 2, 5, 6, 8, 32, 33, 39, 43, 55 and 59 of the Articles of Association of the Company be renumbered as articles 2, 1, 12, 18, 23, 127, 159, 157, 132, 198 and 173 of the Articles of Association of the Company respectively”.

“RESOLVED FURTHER THAT articles 3, 4, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 34, 35, 36, 37, 38, 40, 41, 42, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 56, 57, 58 and 60 of Article of Association of the company be and are hereby deleted and articles 3, 4, 5, 6, 7, 8, 9,10, 11, 13, 14, 15, 16, 17, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 130, 131, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 158, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 199, 200, 201, 202, 203, 204 205, 206 and 207 of Articles of Association of the company be and hereby inserted”.

- 6) Public issue of shares of the Company at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI

ICDR Regulations”), the provisions of the Memorandum of Association and Articles of Association of the Company and the listing agreements to be entered into between the Company and the stock exchanges where the equity shares (of face value of Rs. 10 each) of the Company (“Equity Shares”) are proposed to be listed, and subject to the approval of the Government of India, Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (together the “Stock Exchanges”) or any other stock exchange that the Company may determine, Foreign Exchange Promotion Board, Reserve Bank of India, the Registrar of Companies, Karnataka, as may be required and all other appropriate statutory and other authorities and such other approvals, consents, permissions and sanctions, as may be necessary, including consents from the lenders of the Company, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include a duly authorised committee thereof for the time being exercising the powers conferred by the Board), the consent and approval of the Company be and is hereby accorded to the Board to issue, offer and allot up to one crore eighty lakh Equity Shares of Rs. 10 each, at a price to be determined by the book building process in terms of the SEBI ICDR Regulations (“Public Issue”), out of the authorised capital of the Company, to such person or persons, who may or may not be the shareholder(s) of the Company, as the Board may at its sole discretion decide in consultation with the Book Running Lead Managers so appointed (“BRLMs”) and as may be permissible, including one or more of the members, promoters, employees (through a reservation in the Public Issue or otherwise), qualified institutional investors such as foreign institutional investors (“FIIs”), venture capital funds, foreign venture capital investors, multilateral and bilateral financial institutions, state industrial development corporations, insurance companies, provident funds, pension funds, development financial institutions, and Indian mutual funds, as may be permissible, non resident Indians, members of group companies, Indian public, bodies corporate, companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof, and/or any other categories of investors, including anchor investors as defined under the SEBI ICDR Regulations, whether they be holders of Equity Shares or not, and/or through issue of offer documents in one or more modes or combinations thereof and in one or more tranches, in consultation with the Book Running Lead Managers and/or underwriters and/or other advisors or such persons and on such terms and conditions

including the number of shares to be issued, the price at which the Equity Shares are to be issued, at par or at premium and for cash or other consideration on such terms and conditions as may be finalised by the Board and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit. The consent of the members is also granted to the Board to list the Equity Shares on the Stock Exchanges.”

7) Borrowing Powers of the Company at the EGM held on 03.01.2013 as follows:

“Resolved that the consent of the Company be and is hereby accorded to the Board of Directors under 293 (1) (d) and other applicable provisions, if any of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company apart from the Temporary loans obtained or to be obtained from time to time from the Company’s Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided, however, that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs. 500 Crore (Rupees Five hundred Crore)”.

8) Creation of charge/providing security on the assets of Company at the EGM held on 03.01.2013 as follows:

“RESOLVED THAT pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such Charges, Mortgages and Hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of Banks/Financial Institutions and other investing agencies to secure Rupee/ foreign currency Loans and Working capital facilities availed or proposed to be availed by the Company, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges,

premia on pre-payment or on redemption costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not, at any time exceed the limit of Rs. 500 crore (Rupees Five hundred crore)”.

- 9) Approval of payment of Commission to Mr. George Joseph, Chairman at the EGM held on 26th day of March 2013 as follows:

“RESOLVED THAT Mr. George Joseph be paid a commission of 0.25 % on the net profits of the Company calculated in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, as remuneration subject to maximum limit of Rs. 9 lakhs per annum apart from payment of sitting fees for attending the Board or Committee meetings thereof”.

- 10) Approval for payment of Commission to Mrs. Priya Sarah Cheeran Joseph at the EGM held on 26th day of March 2013 as follows:

“RESOLVED THAT Mrs. Priya Sarah Cheeran Joseph be paid a commission of 0.75 percent on the net profits of the Company calculated in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, apart from payment of sitting fees for attending the Board or Committee meetings thereof”.

- 11) Approval to invest the Surplus funds of the Company at the EGM held on 26th day of March 2013 as follows:

“RESOLVED THAT pursuant to the provisions of Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time), the consent of the company be and are hereby accorded to the Board of Directors of the Company for making of investment in bank deposits and mutual fund(s) not exceeding to Rs. 250 Crores (Rupees Two Hundred and Fifty Crores) in aggregate as mentioned against them, in one or more tranches, in units of existing/new mutual fund schemes, whether open ended or close ended, managed by one or more renowned fund house(es), notwithstanding that the aggregate of investment in units so far acquired or to be acquired by the Company may exceed the limits prescribed under the said section in the best interest of the company.”

CEO / CFO Certificate

The certificate issued by the Managing Director and CFO on financial statements etc., is provided elsewhere in the Annual Report.

Investor Grievances and Share Transfer

The Company has a Board level Investor Grievances Committee to examine and redress shareholders' and investors' complaints. The status on complaints and share transfers is reported to the Board. For matters like dividends, change of address, refunds, demat, remat of shares etc., the shareholders/investors should communicate with Karvy Computershare Private Limited, Registrar and Share Transfer Agent of the company. Their address is given in the section on General Shareholder Information.

General Shareholder Information:

Custodial Fee

Pursuant to the Securities and Exchange Board of India (SEBI) Circular No. MRD/DoP/SE/DEP/CIR-4/2005 dated 28th January, 2005 and MRD/DoP/SE/DEP/CIR-2/2009 dated February 10, 2009, Issuer Companies are required to pay custodial fees to the depositories. Accordingly, the Company has paid custodial fee for the year 2012-13 to depositories on the basis of the number of beneficial accounts maintained by them.

Registrar & Share Transfer Agents:

Share registration and other investor related activities are carried out by our Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited for both Physical and Demat securities. Their address is given below:

Karvy Computershare Private Limited

Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar
Madhapur
Hyderabad 500 081
Andhra Pradesh, India
Tel: (91 40) 4465 5000
Fax: (91 40) 2343 1551
Website: <http://karisma.karvy.com>

Share Transfer System:

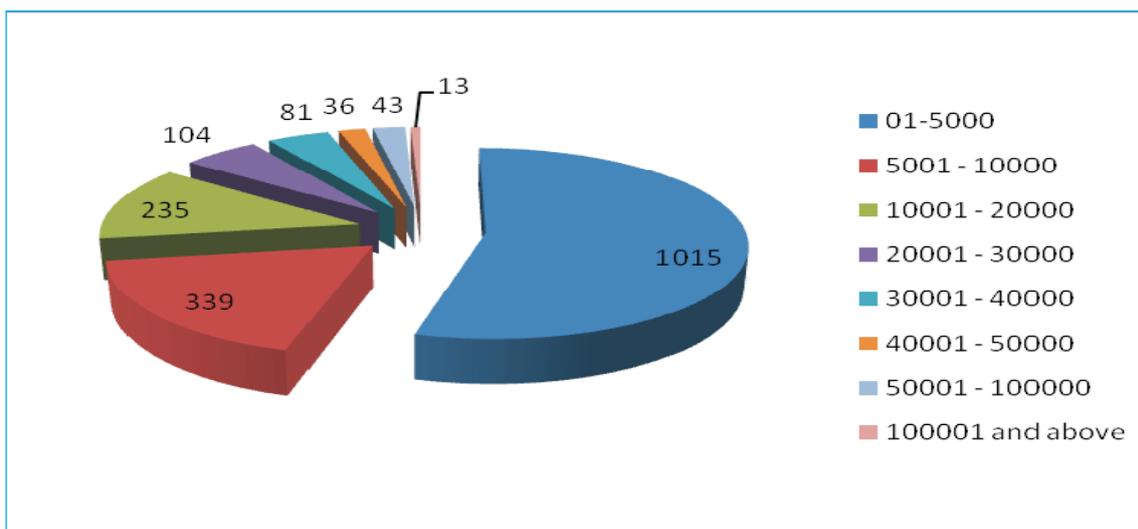
Shares sent for transfer in physical form are registered and dispatched within 15 days of receipt of the documents, if documents are found to be in order. Shares under objection are returned within 15 days. Monitoring of Share Transfers and other investor related matters are dealt with by the Shareholders' Grievance Committee. The Company's Registrars, M/s. Karvy Computershare Private Limited process the share transfers in respect of physical securities on a fortnightly basis and the processed transfers are approved by the authorized Executives of the Company also on a fortnightly basis. All requests for dematerialization of shares, which are in order, are processed within 15 days and the confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Shareholding Pattern as on March 31, 2013:

Sl. No.	Description	Cases	Shares	%Equity
1	Promoters	2	25285992	60.205
2	Promoters Group	3	14814230	35.272
3	Foreign Institutional Investor	0	0	0.00
4	H U F	0	0	0.00
5	Indian Financial Institutions	0	0	0.00
6	Bodies Corporate	0	0	0.00
7	Non Resident Indians	0	0	0.00
8	Foreign Promoters Bodies Corporate	0	0	0.00
9	Resident Individuals	1861	1899778	4.523
10	Trusts	0	0	0.00
	Total	1866	42000000	100

Distribution of Shareholding on March 31, 2013:

Sl. No.	Category (Amount)	No. of Holders	% of Holders	No. of shares	% To Equity
1	1 - 5000	1015	54.39	217778	0.52
2	5001 - 10000	339	18.17	243010	0.58
3	10001 - 20000	235	12.59	342076	0.81
4	20001 - 30000	104	5.57	252396	0.60
	30001 - 40000	81	4.34	280630	0.67
5	40001 - 50000	36	1.93	161272	0.38
6	50001 - 100000	43	2.30	293398	0.70
7	100001 and above	13	0.70	40209440	95.74
	TOTAL	1866	100	42000000	100



Dematerialization of shares and Liquidity as on March 31, 2013:

Category	No. of Holders	Total Shares	% To Equity
PHYSICAL	0	0	0
NSDL	1603	41771582	99.46
CDSL	263	228418	0.54
TOTAL	1866	42000000	100

No. of Shares in Demat form as on March 31, 2013:

No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
42000000	100	1866	100

Unit Locations

Sl. No. Address

1. Wonderla Holidays Limited
28th km, Mysore Road,
Bangalore-562 109, Karnataka, India
2. Wonderla Holidays Limited
Pallikkara, Kumarapuram,
P.O., Kochi-683 565, Kerala, India

Address for Correspondence

Wonderla Holidays Limited
Registered office,
28th km, Mysore Road,
Bangalore-562 109

Registrar and Transfer Agent:

Karvy Computershare Private Limited
Plot No. 17-24
Vittal Rao Nagar
Madhapur
Hyderabad 500 081
Andhra Pradesh, India

CEO AND CFO CERTIFICATE

We, Arun K Chittilappilly, Managing Director and Nandakumar T, Vice President-Finance of Wonderla Holidays Limited, certify that:

- 1) We have reviewed financial statements and the cash flow statements (standalone and consolidated) for year 2012-13 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violating Company's code of conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Controls Systems of the Company over financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls over financial reporting, if any, of which we are aware and the steps we have taken, or propose to take to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting.
- 4) We have indicated to the auditors and audit committee:
 - (i) significant changes in internal control over financial reporting during the year.
 - (ii) significant changes in accounting policies made during the year as have been disclosed in the notes to the financial statements.
 - (iii) No instances of fraud of which we were aware and the involvement therein, if any of the management or an employee having a significant role in the Company's internal control system on financial reporting.

For Wonderla Holidays Limited

Sd/-
Arun K Chittilappilly
Managing Director

Sd/-
Nandakumar T
Vice President-Finance

By order of the Board
For Wonderla Holidays Limited

Sd/-
George Joseph
Chairman

Place : Kochi
Date : 27th May 2013

Independent Auditors' Report

The Members of Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)

Report on the financial statements

We have audited the accompanying financial statements of Wonderla Holidays Limited ('the Company') (formerly Wonderla Holidays Private Limited) which comprise the balance sheet as at 31 March 2013, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the balance sheet, the statement of profit and loss and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Other matters

The financial statements of the company for the year ended March 31, 2012, were audited by another auditor whose report dated June 30, 2012 expressed an unmodified opinion on those statements.

for B S R & Co.

Chartered Accountants

Firm's registration number: 101248W

Zubin Shekary

Partner

Membership number: 048814

Kochi

27 May 2013

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Wonderla Holidays Limited ('the Company') (formerly Wonderla Holidays Private Limited) for the year ended 31 March 2013. We report that :

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii)
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii)
 - a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - b) The Company has taken unsecured loans from a party, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount due during the year was Rs 20,063,197 and the year end balance of such loans was Rs Nil.
 - c) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from the party listed in the register maintained under section 301 of the Companies Act, 1956 is not, prima facie, prejudicial to the interest of the Company.
 - d) In the case of loans taken from the party listed in the register maintained under section 301, the Company has repaid the principal and interest amounts as stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) In our opinion, and according to the information and explanations given to us, there was no transactions made in pursuance of contracts and arrangements referred to in (v)(a) above which exceeded the value of Rs 5 lakh.
- c) The Company has not accepted any deposits from the public.
- d) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- e) The Central Government of India has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act for any of the products sold or services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, customs duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in few cases. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund and Excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Employees' State Insurance, Sales-tax, Wealth tax, Service tax, Customs duty and other material statutory dues were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Sales tax, Customs duty, Cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Service tax, Income tax and Wealth tax have not been deposited by the Company on account of disp

Name of the statute	Nature of dues demanded	Amount demanded (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	16,275,979	2007-08 to 2010-11	Commissioner of central excise, customs and service tax (appeals), Cochin
Finance Act, 1994	Service tax	4,539,007	2011-12	Additional commissioner of central excise, Kochi

Income Tax Act, 1961	Income tax	Nil *	AY 2006-07	Commissioner of income tax appeals, Kochi
Wealth Tax Act, 1957	Wealth tax	347,803	AY 2007-08	Deputy commissioner (appeals)
Income Tax Act, 1961	Income tax	2,485,519	AY 2008-09	Commissioner of income tax, Bangalore II
The Water (Prevention and Control of Pollution) Cess Act, 1977	Interest on water cess	167,309	2000-01 to 2009-10	Office of the Executive engineer, Irrigation division, Ernakulum
The Karnataka Special Tax on Entry of Certain Goods Act, 2004	Special entry tax	Nil **	AY 2004-05	Joint commissioner of commercial taxes (Appeal0, Bangalore

* net of amount paid of Rs 1,468,732

** net of amount paid of Rs 534,767

- (vii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding debentures during the year.
- (ix) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (x) In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.
- (xi) According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xii) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xiii) *According to the information and explanations given to us and based on an overall examination of the Balance Sheet of the Company as at 31 March 2013, it appears that short term funds of Rs 172,543,555 have been used for long-term purposes. The aforesaid amount has been computed based on the guidance provided in the Statement on Companies (Auditor's Report) Order, 2003 issued by the Institute of Chartered Accountants of India. However, as represented to us by the management, the Company is able to generate sufficient funds through its operations to pay for its short term liabilities as and when they become due.*

- (xiv) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xv) The Company did not have any outstanding debentures during the year.
- (xvi) The Company has not raised any money by public issues during the year.
- (xvii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

for B S R & Co.

Chartered Accountants

Firm's registration number: 101248W

Zubin Shekary

Partner

Membership number: 048814

Kochi

27 May 2013

WONDERLA HOLIDAYS LIMITED

(formerly Wonderla Holidays Private Limited)

Balance Sheet

(All amounts in Indian Rupees)

	Note	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	420,000,000	420,000,000
Reserves and surplus	3	779,498,651	517,312,082
		1,199,498,651	937,312,082
Non-current liabilities			
Long-term borrowings	4	124,339,418	160,986,934
Deferred tax liabilities (net)	5	36,906,000	35,741,000
Long-term provisions	6	15,205,053	4,568,385
		176,450,471	201,296,319
Current liabilities			
Short-term borrowings	7	61,562,976	5,379,848
Trade payables	8	40,173,851	36,927,121
Other current liabilities	9	69,560,495	119,823,247
Short-term provisions	10	112,341,652	95,958,897
		283,638,974	258,089,113
TOTAL		1,659,588,096	1,396,697,514
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		1,434,749,231	1,203,498,480
Intangible assets		4,760,926	6,682,447
Capital work-in-progress		57,208,164	43,690,669
Long-term loans and advances	12	74,290,524	82,178,308
Other non-current assets	13	1,279,338	1,100,677
		1,572,288,183	1,337,150,581
Current assets			
Inventories	14	28,055,306	18,149,904
Trade receivables	15	4,862,171	2,019,845
Cash and bank balances	16	28,731,001	24,841,330
Short-term loans and advances	17	16,895,025	13,635,088
Other current assets	18	8,756,410	900,766
		87,299,913	59,546,933
TOTAL		1,659,588,096	1,396,697,514

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Co.**

Chartered Accountants

Firm registration no.: 102148W

Sd/-

Zubin Shekary

Partner

Membership No.: 048814

for and on behalf of the Board of Directors of

Wonderla Holidays Limited

(formerly Wonderla Holidays Private Limited)

Sd/-

Arun K Chittilappilly

Managing Director

Sd/-

Nandakumar T
Vice President-Finance

George Joseph

Chairman

Sd/-

Santosh Kumar Barik
Company Secretary

Place : Kochi

Date : 27.05.2013

Place : Kochi

Date : 27.05.2013

WONDERLA HOLIDAYS LIMITED
(formerly Wonderla Holidays Private Limited)

Statement of Profit and Loss

(All amounts in Indian Rupees)

	Note	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations			
Sale of services	19	1,248,111,773	1,046,719,548
Sale of products	20	130,393,382	84,629,263
Total revenue from operations		1,378,505,155	1,131,348,811
Other income	21	15,184,640	12,599,715
Total revenue		1,393,689,795	1,143,948,526
Expenses			
Direct operating expenses	22	207,291,089	169,596,544
Purchase of stock-in-trade	23	73,421,942	48,465,463
Change in inventories of stock-in-trade	24	(1,210,433)	(1,012,561)
Employee benefits	25	274,204,866	207,480,980
Finance cost	26	22,250,749	11,329,301
Depreciation and amortization	11	118,448,051	115,572,605
Other expenses	27	198,955,112	153,838,068
Total expenses		893,361,376	705,270,400
Profit before tax		500,328,419	438,678,126
Income tax expense			
Current tax		163,270,000	145,180,000
Deferred tax		1,165,000	(1,474,000)
Profit for the year		335,893,419	294,972,126
Earnings per equity share [nominal value of share RS. 10 (previous year: RS. 10)]			
Basic and diluted (refer note 33)		8.00	7.02
Significant accounting policies	1		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for **B S R & Co.**

Chartered Accountants
Firm registration no. : 102148W
Sd/-

Zubin Shekary
Partner
Membership No.: 048814

Place : Kochi
Date : 27.05.2013

for and on behalf of the Board of Directors of
Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)
Sd/-

Arun K Chittilappilly
Managing Director
Sd/-

Nandakumar T
Vice President-Finance

Place : Kochi
Date : 27.05.2013

George Joseph
Chairman
Sd/-

Santosh Kumar Barik
Company Secretary

WONDERLA HOLIDAYS LIMITED

(formerly Wonderla Holidays Private Limited)

Cash Flow Statement

(All amounts in Indian Rupees)

	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flow from operating activities		
Net profit before tax	500,328,419	438,678,126
Adjustments:		
Finance cost	22,250,749	11,329,301
Depreciation and amortisation	118,448,051	115,572,605
Interest income	(176,443)	(418,527)
(Profit)/loss on sale of fixed assets	(221,510)	18,147
Fixed assets written-off	843,341	-
Dividend income from mutual funds	(2,688,687)	(3,637,560)
Operating cash flow before working capital changes	638,783,920	561,542,092
Adjustments for changes in working capital		
(Increase)/decrease in inventories	(9,905,402)	(3,685,906)
(Increase)/decrease in trade receivables	(2,842,326)	580,486
(Increase)/decrease in loans and advances	(11,522,049)	(5,149,902)
Increase/(decrease) in liabilities	22,373,862	32,920,540
Cash generated from operating activities	636,888,005	586,207,310
Income taxes paid	(151,195,613)	(138,495,948)
Net cash generated from operating activities (A)	485,692,392	447,711,362
Cash flow from investing activities		
Purchase of fixed assets	(374,472,610)	(393,843,639)
Proceeds from sale of fixed assets	478,073	1,048,802
Dividend received on investment in mutual funds	2,688,687	3,637,560
Interest received	173,059	428,463
Net cash used in investing activities (B)	(371,132,791)	(388,728,814)

WONDERLA HOLIDAYS LIMITED

(formerly Wonderla Holidays Private Limited)

Cash Flow Statement

(All amounts in Indian Rupees)

	For the year ended 31 March 2013	For the year ended 31 March 2012
Cash flow from financing activities		
Proceeds from/(repayment of) term and vehicle loans from banks	(81,159,442)	51,010,979
Proceeds from/(repayment of) corporate loans from banks	70,000,000	
Proceeds from/(repayment of) cash credit and working capital loans	(3,816,872)	(4,607,725)
Dividend paid including taxes	(73,220,175)	(73,220,175)
Finance cost	(22,473,441)	(10,493,260)
Net cash used in financing activities (C)	(110,669,930)	(37,310,181)
Net increase in cash and cash equivalents (A+B+C)	3,889,671	21,672,367
Cash and cash equivalents at the beginning of the year	24,841,330	3,168,963
Cash and cash equivalents at the end of the year (refer note 16)	28,731,001	24,841,330

As per our report of even date attached

for **BSR & Co.**

Chartered Accountants

Firm registration no.: 102148W

Sd/-

Zubin Shekary

Partner

Membership No.: 048814

Place : Kochi

Date : 27.05.2013

for and on behalf of the Board of Directors of

Wonderla Holidays Limited

(formerly Wonderla Holidays Private Limited)

Sd/-

Arun K Chittilappilly

Managing Director

Sd/-

Nandakumar T

Vice President-Finance

Place : Kochi

Date : 27.05.2013

Sd/-

George Joseph

Chairman

Sd/-

Santosh Kumar Barik

Company Secretary

WONDERLA HOLIDAYS LIMITED

(formerly Wonderla Holidays Private Limited)

Notes to the financial statements

1. Significant accounting policies

Company overview

Wonderla Holidays Limited ('the Company') (previously known as Wonderla Holidays Private Limited) was incorporated in the year 2002 and is engaged in the business of amusement parks and resorts. In the year 2005, the Company started its first amusement park at Bangalore. In the year 2008, pursuant to a scheme of amalgamation, Veega Holidays and Parks Private Limited, an entity under common control, which was running amusement park at Kochi since April 2000, merged with the Company.

The registered office of the Company is situated in Bangalore. The Company changed its name to Wonderla Holidays Limited effective from 11 January 2013. The Company has filed a Draft Red Herring Prospectus (DRHP) with SEBI on 15 April 2013 in line with the decision taken at the EGM on 3 January 2013.

i. Basis of preparation of financial statements

The accompanying financial statements have been prepared and presented under the historical cost convention, in accordance with generally accepted accounting principles in India ("GAAP") on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by Central Government, and the relevant provision of the Companies Act, 1956, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii. Use of estimates

The preparation of the financial statements in conformity with the GAAP requires management to make judgements, estimates and assumptions that affect the

application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

iii. Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of services and time the between the acquisition of assets for processing and there realization in cash and cash equivalent, the Company have ascertained less than 12 months as its operating cycle and hence 12 months being considered for the purpose of current / non-current classification of assets and liabilities.

All assets and liabilities having classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the revised schedule VI to the Act.

iv. Inventories

Inventories comprising of traded goods (readymade garments, packed foods and soft drinks), stores and spares, fuel (for maintenance) and construction materials in hand, are valued at the lower of cost or net realizable value. Cost of traded goods is ascertained using the FIFO method.

Cost of stores and spares, fuel (for maintenance) and construction materials in hand, is ascertained using the weighted average method.

Cost of food and beverages and stores and operating supplies are ascertained on weighted average basis.

v. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

vi. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits

will flow to the Company and the revenue can be measured reliably. The revenue recognition policy followed by the Company is:

- Entry charges are recognized at the time when entry tickets are issued to visitors for entry into the park.
- Sale of traded items are recognized when the title to goods are transferred to the customers. Sales are recorded net of discounts and value added tax.
- Share of revenue from restaurants is recognized as per the terms of the agreement with the restaurant operator.
- Income from rooms, restaurants and other services comprise of room rentals, sales of food and beverages and other allied services relating to resort operations. Revenue is recognized upon rendering of the service.
- Dividend is recognized when declared and interest income is recognized on time proportion basis taking into account the amount outstanding and applicable rate of interest.
- Other income is recognized on accrual basis except when there are significant uncertainties.

vii. Fixed assets and depreciation

Tangible assets

Tangible fixed assets are stated at the cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Capital work in progress

Cost of assets not ready for use as at the balance sheet date are disclosed under capital work in progress.

Depreciation

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as determined by the management. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. The table below lists down the estimated economic useful lives for the respective asset category:

The estimated useful life of fixed assets is enumerated below:

Particulars	Rate of depreciation (%)
Tangible assets	
Buildings	1.63 to 3.80
Gardening and landscaping	19.00
Plant and equipments	4.75 to 16.21
Electrical equipments	4.75 to 16.21
Office equipments	4.75 to 16.21
Restaurant equipments	4.75 to 7.92
Vehicles	9.50 to 11.31
Furniture and fixtures	4.75 to 19.00
Pre-used equipments	33.33
Intangible assets	
Technical know-how	9.50
Film rights	50
Computer software	16.21

Freehold land is not depreciated.

Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase/ installation. Depreciation on assets acquired/ disposed off during the year is provided for from/ upto the month of such addition/ deletion.

viii. Borrowing cost

Borrowing costs directly attributable to the acquisition/construction of the qualifying assets which are incurred during the period less income earned on temporary investment of these borrowings are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

ix. Impairment

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

x. Investments

Investments that are readily realizable and intended not to be held for more than 12 months are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost or fair value. Long-term investments are valued at cost less provision for diminution, other than temporary, to recognize any decline in the value of such investments.

xi. Leases

Assets acquired under finance lease are recognized at the lower of the fair value of the leased asset at the inception of the lease and the present value of minimum

lease payments, Lease payments are apportioned between finance charge and reduction of outstanding liability. Finance charges are allocated over the lease term at a constant periodic rate of interest on the outstanding liability. Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

xii. Foreign exchange transactions

Transactions in foreign currency are recorded using an average monthly rate that approximates the exchange rate at the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognized in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies and remaining unsettled as at the balance sheet date are translated using the closing exchange rates on that date and the resultant net exchange difference is recognized in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

xiii. Employee benefits

Contributions payable to the recognized provident fund, which is a defined contribution scheme, is made monthly at predetermined rates to the appropriate authorities and charged to the statement of profit and loss on an accrual basis.

Gratuity, a defined benefit scheme, is accrued based on an actuarial valuation at the balance-sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation using the Projected Unit Credit Method, which recognizes each and period of service as giving rise to an additional units of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company's gratuity scheme is administered by the Life Insurance Corporation of India.

Leave encashment, of defined benefit plan, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short-term compensated absences in the period in which the employees renders services.

Actuarial gain/losses are immediately taken to the statement of profit and loss and are not deferred.

xiv. Earnings per share

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which would have been issued on conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The potentially dilutive equity shares have been adjusted for the proceeds receivable had the shares been actually issued at a fair value. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

xv. Taxation

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets/ liabilities are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

The Company offsets, the current (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

In accordance with the provisions of Section 115JAA of the Income-tax Act, 1961, the Company is allowed to avail credit equal to the excess of Minimum Alternate Tax (MAT) over normal income tax for the assessment year for which MAT is paid. MAT credit so determined can be carried forward for set-off for ten succeeding assessment years from the year in which such credit becomes allowable. MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income-tax Act, 1961 and such tax is in excess of MAT for that year. Accordingly, MAT credit entitlement is recognized only to the extent there is convincing evidence that the Company will pay normal tax during the specified period.

xvi. Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

xvii. Cash and cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

WONDERLA HOLIDAYS LIMITED

(formerly Wonderla Holidays Private Limited)

Notes to the financial statements (Contd...)

2. Share capital

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Authorised Equity shares 60,000,000 (previous year 45,000,000) equity shares of Rs. 10/- each	600,000,000	450,000,000
	600,000,000	450,000,000
Issued, subscribed and paid-up Equity shares 42,000,000 (previous year 42,000,000) equity shares of Rs. 10/- each fully paid-up	420,000,000	420,000,000
	420,000,000	420,000,000

Increase in authorised share capital

On 11 January 2013, the Company increased its authorised share capital from 45,000,000 equity shares of Rs. 10 each to 60,000,000 equity shares of Rs. 10 each.

2.1 Reconciliation of number of shares outstanding at 31 March 2013 and 31 March 2012 is as under:

Particulars	As at 31 March 2013	As at 31 March 2012
Equity shares outstanding as at the beginning of the year	42,000,000	42,000,000
Shares issued	-	-
Shares bought back	-	-
Equity shares outstanding as at the end of the year	42,000,000	42,000,000

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes to the financial statements (Contd...)

Shares held by holding/ultimate holding Company and/by their subsidiaries/associates

- Company's shares are held by individuals.

Particulars of shareholders holding more than 5% shares of a class of shares

Name of shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of shares	% holding	No. of shares	% holding
Kochouseph Chittilappilly	17,375,792	41.37%	18,449,900	43.93%
Sheila Kochouseph Chittilappilly	7,044,230	16.77%	7,869,400	18.74%
Arun K. Chittilappilly	7,910,200	18.83%	7,910,200	18.83%
Mithun K. Chittilappilly	6,270,000	14.93%	6,270,000	14.93%

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

During the five year period ended 31 March 2013

- No shares have been issued as bonus shares.
- 16,000,000 (previous year 16,000,000) equity shares of RS. 10 each have been allotted as fully paid-up pursuant to a scheme of amalgamation between Veega Holidays and Parks Private Limited and the Company during the year ended 31 March 2010.
- No shares have been bought back.

3. Reserves and surplus

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Securities premium account		
At the commencement of the year	30,000,000	30,000,000
Add: Additions during the year	-	-
Less: Utilisation during the year	-	-
	30,000,000	30,000,000
General reserve		
At the commencement of the year	53,862,000	31,739,000
Amount transferred from surplus	25,193,000	22,123,000
	79,055,000	53,862,000
Surplus balance in the statement of profit and loss		
At the commencement of the year	433,450,082	233,821,131
Add: Profit for the year	335,893,419	294,972,126
Amount available for appropriation	769,343,501	528,793,257
Appropriations:		
Transfer to general reserve	25,193,000	22,123,000
Proposed dividend	63,000,000	63,000,000
Tax on proposed dividend	10,706,850	10,220,175
Net surplus in the statement of profit and loss	670,443,651	433,450,082
	779,498,651	517,312,082

Notes to the financial statements (Contd...)

4. Long-term borrowings

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Secured		
Term loan from banks (refer note 4.1)	112,572,440	158,033,792
Corporate loan from banks (refer note 4.2)	10,000,000	-
Long-term maturities of vehicle loans (refer note 4.3)	1,766,978	2,953,142
	124,339,418	160,986,934

4.1 Term loan from banks

4.1.1 The term loan has been taken from State Bank of Travancore (SBT) during the financial year 2011-12 and carries a floating interest rate of 2% above the SBT base rate. It is repayable in 27 installments (quarterly installments of Rs. 5,350,000/- and a final installment of Rs. 5,550,000/-) commencing 30 September 2012. The term loan is secured pari passu by way of hypothecation of all the movable fixed assets of the of the resort, both movable and immovable, present and future, including equitable mortgage on landed properties of 81.75 acres of the Bangalore unit. This is further guaranteed by the personal guarantees of Kochouseph Chittilappilly and Arun K Chittilappilly, directors of the Company. Principal amount outstanding as long-term on 31 March 2013 is Rs. 112,572,440/- (previous year Rs. 133,950,000/- Current maturity as on 31 March 2013 is Rs. 21,400,000/- (previous year Rs. 16,050,000/-).

The following term loans outstanding as on 31 March 2012 were repaid during the year ended 31 March 2013

4.1.2 The term loan amounting to Rs. 27,318,983/- outstanding as at 31 March 2012 taken from State Bank of Travancore during the financial year 2005-06 which carried a floating interest rate of 2% above the SBT base rate was repaid in full in the current year. It was repayable in 28 quarterly installments (quarterly installments based on schedule given by bank) commencing 1 April 2006. The term loan was secured by way of hypothecation of all the movable fixed assets of the Bangalore unit of the Company, both movable and immovable, present and future, including equitable mortgage on landed properties of 81.75 acres. This was further guaranteed by personal guarantees of Kochouseph Chittilappilly and Arun K Chittilappilly, directors of the Company and Sheila Kochouseph and Mithun K Chittilappilly, share holders and relatives of the directors of the Company. Principal amount outstanding as long-term on 31 March 2013 is Rs. Nil (previous year Rs. Nil). Current maturities as on 31 March 2013 Rs. Nil (previous year Rs. 27,318,983/-).

4.1.3 The term loan amounting to Rs. 37,283,792/- outstanding as at 31 March 2012 taken from State Bank of India during the financial year 2008-09 which carried a floating interest rate of 1.5% below State bank of India advance rate with a minimum of 11.25% p.a was repaid in full during the current year. It was repayable in 27 quarterly installments (quarterly installments of Rs. 3,300,000/- and a final installment of Rs. 900,000/-) commencing 30 June 2008. The term loan was secured by way of hypothecation of all immovable and movable assets including (a) equitable mortgage of 7.84 acres land situated at Kunnathunadu Village, Kunnathunadu Taluk of Ernakulam District (b) second charge over 17.64 acres of land situated at Kunnathunadu Village, Kunnathunadu Taluk of Ernakulam District on reciprocal basis, and (c) Personal guarantees of Kochouseph Chittilappilly, Director and Sheila Kochouseph, share holder and relative of directors of the Company. Principal amount outstanding as long-term on 31 March 2013 is Rs. Nil (previous year Rs. 24,083,792/-). Current maturities as on 31 March 2013 Rs. Nil (previous year Rs. 13,200,000/-).

Notes to the financial statements (Contd...)

4.2 Corporate loan from banks

4.2.1 The term loan has been taken from Dhanlaxmi Bank Limited during the financial year 2012-13 and carries a floating interest rate of 1.25% above the base rate. The loan is secured by primary charge on movable and immovable assets on 25.47 acres under survey no.s. 9/3,4, 11/1, 80/1, 81/3, 82, 83/6,8, 84/3,4,5,6,7,8,9,10,12, 126/3 of the Company's land situated at Kunnathunadu Village, Cochin and development thereon with value not less than RS. 300,000,000/-. This loan is further guaranteed by personal guarantees of Kochouseph Chittilappilly and Arun K Chittilappilly, directors of the Company. Principal amount outstanding as long-term on 31 March 2013 is RS. 10,000,000/- (previous year RS. Nil)

4.3 Vehicle loans

4.3.1 The vehicle loan is taken from Axis Bank during the financial year 2011-12 which carries interest rate of 10.01% p.a. It is repayable in 36 equal monthly installments of RS. 177,490/- (including interest) commencing 15 October 2011. The vehicle loan is secured by way of hypothecation of vehicles purchased using the loan facility. Principal amount outstanding as on 31 March 2013 is RS. 1,032,501/- (previous year RS. 2,953,142/-). Current maturities as on 31 March 2013 is RS. 1,920,641/- (Previous year RS. 1,738,449/-).

4.3.2 The vehicle loan is taken from HDFC Bank during the financial year 2012-13 which carries interest rate of 10.75% p.a. It is repayable in 36 equal monthly installments of RS. 48,930/- (including interest) commencing 5 August 2012. The vehicle loan is secured by way of hypothecation of vehicles purchased using the loan facility. Principal amount outstanding as on 31 March 2013 is RS. 734,477/- (previous year RS. Nil). Current maturities as on 31 March 2013 RS. 474,865/-(previous year RS. Nil).

5 Deferred tax liabilities (net)

Significant components of deferred tax liabilities/assets are as below:

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Deferred tax liabilities		
Excess of depreciation provided under statutory books of accounts over depreciation allowed under Income Tax accounts	45,554,000	40,194,000
	45,554,000	40,194,000
Deferred tax assets		
Provision for leave encashment	3,086,000	1,779,000
Provision for gratuity	2,823,000	-
Amount disallowed under 40a (ia) in the current year	-	343,000
Provision for entertainment tax	149,000	142,000
Provision for bonus	-	1,863,000
Provision for service tax	2,419,000	-
Preliminary expense u/s 35DD	120,000	229,000
Preliminary expense u/s 35D	51,000	97,000
	8,648,000	4,453,000
	36,906,000	35,741,000

Notes to the financial statements (Contd...)

6. Long-term provisions

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Provision for employee benefits		
Compensated absences	7,933,883	4,568,385
Gratuity	7,271,170	-
	15,205,053	4,568,385

7. Short-term borrowings

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Secured		
Working capital loan (refer Note 7.1)	1,562,976	5,379,848
Corporate loan (refer Note 7.2)	60,000,000	-
	61,562,976	5,379,848

7.1 Working capital loan

The working capital loan from Axis Bank carries an interest rate of 2.50% above base rate. This is secured by primary pari passu charge along with other lenders by way of hypothecation of entire current assets of the Company (present and future) and a collateral equitable mortgage of land located at the Bangalore Unit measuring 81.75 acres and building situated on that land on pari passu basis with State Bank of Travancore.

7.2 Corporate loan

The corporate loan from State Bank of Travancore (SBT) carries an interest rate of 2.25% above the base rate of SBT. This is secured by way of a first pari passu charge along with other term lenders over the landed properties of 81.75 acres situated at Bangalore. This is further guaranteed by the personal guarantees of Kochouseph Chittilappilly and Arun K Chittilappilly, directors of the Company.

8. Trade payables

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Due to micro and small enterprises (refer note 38)	-	-
Other creditors	40,173,851	36,927,121
	40,173,851	36,927,121

Notes to the financial statements (Contd...)

9. Other current liabilities

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Current maturities of long term loans (refer note 4.1)	21,400,000	56,568,983
Current maturities of vehicle loans (refer note 4.3)	2,395,506	1,738,449
Interest accrued and due on term loans* (refer note 4.1)	1,395,014	2,244,626
Interest accrued and due on corporate loan* (refer note 4.2 and 7.2)	626,920	-
Entry fee/income received in advance	3,065,093	4,385,859
Other payables		
Due to employees	15,044,707	12,343,138
Commission payable	8,297,886	7,549,316
Capital creditors	7,683,744	27,880,649
Statutory dues payable	5,965,818	4,003,498
Security deposits	3,658,870	3,095,000
Others	26,937	13,729
	69,560,495	119,823,247

* Interest becomes due at the end of last day of the month and gets settled on the next working day.

10 Short-term provisions

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Provision for employee benefits		
Compensated absences	1,146,342	913,680
Gratuity	1,034,627	-
Others		
Proposed dividend	63,000,000	63,000,000
Tax on proposed dividend	10,706,850	10,220,175
Provision for taxation, net	28,805,910	16,731,523
Provision for service tax	7,116,516	4,572,139
Provision for entertainment tax	437,100	437,100
Provision for wealth tax	94,307	84,280
	112,341,652	95,958,897

WONDERLA HOLIDAYS LIMITED
(formerly Wonderla Holidays Private Limited)

Notes to the financial statements (continued)

11 Fixed assets

Particulars	Gross block			Accumulated depreciation/ amortization			Net block		
	As at 1 April 2012	Additions	Deletions	As at 31 March 2013	As at 1 April 2012	For the year*	Deletions	As at 31 March 2013	As at 31 March 2012
Tangible assets									
Freehold land	201,184,713	237,536,904	-	438,721,617	-	-	-	438,721,617	201,184,713
Buildings	543,544,001	44,582,580	596,742	587,529,839	99,563,369	16,088,939	64,036	471,941,567	443,980,632
Gardening and landscaping	2,131,913	-	-	2,131,913	2,025,317	-	-	106,596	106,596
Plant and equipments	1,072,209,116	30,930,453	1,932,401	1,101,207,168	655,578,712	77,817,783	1,621,396	369,432,069	416,630,404
Electrical equipments	117,542,536	12,199,147	441,970	1,29,299,713	54,384,399	8,524,876	384,096	66,774,534	63,158,137
Office equipments	21,856,699	6,304,637	2,098,705	26,062,631	14,274,913	2,222,112	1,987,182	11,552,788	7,581,786
Restaurant equipments	19,029,700	3,171,598	76,915	22,124,383	4,043,659	1,352,897	35,540	16,763,367	14,986,041
Vehicles	34,319,929	7,567,499	1,548,060	40,339,368	11,090,436	3,719,191	1,507,857	27,037,598	23,229,493
Furniture and fixtures	48,788,106	6,647,115	15,960	55,419,261	16,147,428	6,863,480	10,742	32,419,095	32,640,678
Total (A)	2,060,606,713	348,939,933	6,710,753	2,420,835,893	857,108,233	116,589,278	5,610,849	1,434,749,231	1,203,498,480
Intangible assets									
Technical know-how	14,054,329	-	-	14,054,329	8,789,805	1,335,160	-	10,124,965	5,264,524
Film rights	1,836,691	-	-	1,836,691	1,383,399	397,908	-	1,781,307	453,292
Computer software	1,485,701	54,000	-	1,539,701	521,070	242,453	-	763,523	964,631
Total (B)	17,376,721	54,000	-	17,430,721	10,694,274	1,975,521	-	12,669,795	6,682,447
Total (A)+(B)	2,077,983,434	348,993,933	6,710,753	2,420,266,614	867,802,507	118,564,799	5,610,849	1,439,510,157	1,210,180,927
Previous year									
Tangible assets	(1,668,983,458)	(394,908,633)	(3,285,378)	(2,060,606,713)	(745,479,021)	(113,847,641)	(2,218,429)	(1,203,498,480)	(923,504,437)
Intangible assets	(1,617,862)	(1,197,859)	-	(17,376,721)	(89,693,310)	(1,724,964)	-	(10,694,274)	(7,209,552)
	(1,685,162,320)	(396,106,492)	(3,285,378)	(2,077,983,434)	(754,448,331)	(115,572,605)	(2,218,429)	(867,802,507)	(930,713,989)

Capital work-in-progress

Opening balance	Additions	Capitalisation	Closing balance
43,690,669	98,539,106	85,021,611	57,208,164

** The borrowing cost included in the additions to CWIP for the period in the above is **Rs. 1,662,258/-** (borrowing cost capitalised during the previous year is **Rs. 5,327,831/-**)

Notes:

1. Depreciation includes **Rs. Nil** (previous year **Rs. 83,935/-**), being arrears depreciation provided for earlier years due to change in classification

*** Reconciliation of Depreciation as per Note 11 and the statement of profit and loss**

Depreciation as per schedule

118,564,799
Less: Depreciation charged on assets belongs to Hyderabad unit, which is transferred to expenditure during construction pending for allocation
116,748

Balance charged to the statement of profit and loss **118,448,051**

Notes to the financial statements (Contd..)

12. Long-term loans and advances

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Unsecured, considered good		
Capital advances	56,106,943	64,225,918
Security deposits	9,165,294	8,934,103
Advance tax and tax deducted at source, net	9,018,287	9,018,287
	74,290,524	82,178,308
Unsecured, considered doubtful		
Capital advances	12,703,477	12,703,477
Less: Provision for doubtful advances	12,703,477	12,703,477
	-	-
	74,290,524	82,178,308

13. Other non-current assets

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Bank deposits (due to mature after 12 months from the reporting date) [refer note 13.1]	1,213,915	1,038,375
Interest accrued on deposits	65,423	62,302
	1,279,338	1,100,677

13.1 Bank deposits held as lien towards bank guarantee towards KSEB (50% of total security deposit is given in cash and balance as bank guarantee)

14. Inventories

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Stores and spares	20,695,039	11,902,023
Stock in trade	6,748,441	5,538,008
Others - fuel	611,826	621,102
Goods in transit	-	88,771
	28,055,306	18,149,904

Notes to the financial statements (Contd..)

15. Trade receivables

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Unsecured, considered good		
Receivables outstanding for a period exceeding six months from the date they became due for payment	-	-
Others receivables		
- considered good	4,862,171	2,019,845
	4,862,171	2,019,845

16. Cash and bank balances

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Cash and cash equivalents		
Balances with banks in current accounts	21,065,150	23,530,604
Cash in hand	7,665,851	1,310,726
	28,731,001	24,841,330

17. Short-term loans and advances

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Prepaid expenses	9,140,925	8,293,538
Advances for supply of goods and services	5,684,845	3,839,942
Loans to employees	1,405,971	1,477,008
Advances to employees	663,284	24,600
	16,895,025	13,635,088

18. Other current assets

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Initial public offering expenses	8,176,388	-
Sales tax- Advance	534,767	534,767
Income receivable	45,255	365,999
	8,756,410	900,766

Notes to the financial statements (Contd..)

19. Sale of services

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Entry fee collection	1,128,087,810	980,157,580
Share of revenue	62,729,977	52,870,979
Room rental collection	38,837,747	49,110
Other counter collection	18,456,239	13,641,879
	1,248,111,773	1,046,719,548

20. Sale of Products

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Readymade garments	35,864,966	29,595,492
Soft drinks and packed foods	53,233,462	36,952,874
Cooked food	21,923,094	14,545
Others	19,371,860	18,066,352
	130,393,382	84,629,263

21. Other income

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Miscellaneous income	6,436,947	4,450,346
Rent received	5,492,392	4,105,681
Dividend from mutual funds	2,688,687	3,637,560
Profit/ (loss) on sale of fixed assets (net)	221,510	(18,147)
Interest income	176,443	418,527
Foreign exchange gain (net)	168,661	5,748
	15,184,640	12,599,715

Notes to the financial statements (Contd...)

22. Direct operating expenses

Particulars	For the year ended	For the year ended
	31 March 2013	31 March 2012
	Rs.	Rs.
Repairs and maintenance		
-Plant and machinery	51,881,408	47,541,732
-Buildings and structures	28,147,236	20,584,856
Electricity charges	47,488,867	35,096,569
Security expenses	32,203,086	24,511,606
House keeping expenses	20,881,955	16,021,016
Fuel and oil	13,971,035	9,573,119
Park maintenance	11,311,332	11,692,114
Operating supplies	1,323,912	4,376,526
Lab and music expenses	82,258	199,006
	207,291,089	169,596,544

23. Purchase of stock-in-trade

Particulars	For the year ended	For the year ended
	31 March 2013	31 March 2012
	Rs.	Rs.
Soft drinks and packed foods	32,395,161	23,430,952
Readymade garments	17,346,699	15,164,781
Provisions	11,862,982	386,630
Others	11,686,609	9,347,572
	73,291,451	48,329,935
Add: Freight and carriage inwards	130,491	135,528
	73,421,942	48,465,463

24. Change in inventories of stock-in-trade

Particulars	For the year ended	For the year ended
	31 March 2013	31 March 2012
	Rs.	Rs.
Opening stock		
Soft drinks and packed foods	1,222,986	1,011,981
Readymade garments	2,495,015	2,039,893
Provisions	265,101	-
Others	1,554,906	1,473,573
(A)	5,538,008	4,525,447
Closing stock		
Soft drinks and packed foods	1,414,703	1,222,986
Readymade garments	2,519,565	2,495,015
Provisions	954,997	265,101
Others	1,859,176	1,554,906
(B)	6,748,441	5,538,008
Total (A-B)	(1,210,433)	(1,012,561)

Notes to the financial statements (Contd...)

25. Employee benefits

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Salaries, wages, bonus and allowances	219,412,122	169,030,326
Managerial remuneration	18,032,176	17,006,682
Contribution to provident and other funds	18,296,241	8,544,703
Staff welfare expenses	18,464,327	12,899,269
	274,204,866	207,480,980

26. Finance cost

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Interest expenses	21,820,584	11,109,301
Interest on income tax	430,165	220,000
	22,250,749	11,329,301

27. Other expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Rs.	Rs.
Advertisement and sales promotion	152,607,955	115,090,402
Rates, taxes and license fee	12,934,233	14,497,787
Vehicle maintenance	7,278,892	6,122,749
Travelling expenses	6,074,112	3,795,166
Professional fees	5,174,750	5,155,055
Printing and stationery	4,678,293	3,737,329
Bank charges	2,397,800	1,690,814
Insurance	2,385,323	1,048,883
Miscellaneous expenses	2,138,294	612,497
Postage and telephone	1,569,110	1,216,662
Administrative expenses	873,009	870,724
Fixed assets written-off	843,341	-
	198,955,112	153,838,068

Notes to the financial statements (Contd...)

28. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Contingent liabilities		
Claims against the Company not acknowledged as debts:		
- Special entry tax demand pending on appeal (the disputed tax is fully paid)	534,767	534,767
- Income tax demands pending on appeal (Demand fully paid to the extent of Rs. 1,468,732)	6,092,345	1,468,732
- Entertainment tax	989,298	989,298
- Interest on water cess	167,309	167,309
- Service tax demand pending on appeal	13,698,561	9,962,291
- Claims for compensation	1,728,000	1,728,000
- Guarantee issued by the bank on behalf of the Company to Kerala State Electricity Board	1,113,915	1,038,375
Commitments		
Estimated amount of unexecuted capital contracts (net of advances)	1,023,787	168,254,304
	25,347,982	184,143,076

29. Auditors' remuneration exclusive of service tax (included under legal, professional fees and initial public offering Expenses)

Particulars	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Statutory audit fee	900,000	674,160
Tax audit fee	100,000	202,248
Other services	1,124,500	85,540
Reimbursement of expenses	55,183	45,004
	2,179,683	1,006,952

30. Value of imported and indigenous materials consumed:

Particulars	For the year ended		For the year ended	
	31 March 2013		31 March 2012	
	Rs.	%	Rs.	%
Imported materials	7,358,429	11%	4,667,260	31%
Indigenous	62,314,841	89%	10,553,057	69%
	69,673,270	100%	15,220,317	100%

Notes to the financial statements (Contd...)

31 Expenditure in foreign currency:

Particulars	For the year ended 31 March 2013 Rs.	For the year ended 31 March 2012 Rs.
Travel	1,394,359	1,079,624
Others	317,331	-
	1,711,690	1,079,624

32 CIF value of imports

Particulars	For the year ended 31 March 2013 Rs.	For the year ended 31 March 2012 Rs.
Capital goods	7,303,060	8,311,366
Components and spares	7,316,586	12,510,983
	14,619,646	20,822,349

33 Earnings per share

The computation of earnings per share is set out below.

Particulars	For the year ended 31 March 2013 Rs.	For the year ended 31 March 2012 Rs.
Profit for the year	335,893,419	294,972,126
Profit attributable to equity share holders	335,893,419	294,972,126
Weighted average number of equity shares outstanding at the beginning of the year	42,000,000	42,000,000
Weighted average number of equity shares outstanding at the end of the year	42,000,000	42,000,000
Weighted average number of equity shares for Calculation of diluted EPS	42,000,000	42,000,000
Par value of equity share (RS.)	10	10
Earning per share (RS.) - Basic (not annualized)	8.00	7.02
Earning per share (RS.) - Dilutive (not annualized)	8.00	7.02

34 Particulars of un-hedged foreign currency exposure as at the balance sheet date

Underlying asset / liability	As at 31 March 2013		As at 31 March 2012	
	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency
Advances paid				
USD	49,698,223	913,750	360,500	7,047
EUR	620,859	8,928	2,293,111	33,554

Notes to the financial statements (Contd...)

35 Employee benefits: Post-employment benefit plans

Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employee towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contribution. The contribution is charged to the statement of profit and loss as they accrue. The amount recognized as a expense towards contribution to provident fund for the year aggregated to Rs. 7,720,332 (previous year: Rs. 6,134,626).

Defined benefit plan

The following table sets out the status of the gratuity plan as required under Accounting standard (AS) 15 revised "Employee Benefits" prescribed by Companies (Accounting Standards) Rules, 2006, ('the Rules').

Change in defined benefit obligation	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Opening defined benefit obligation	7,945,700	7,423,516
Current service cost	9,276,838	1,506,437
Interest cost	594,814	611,228
Benefits settled	(1,471,658)	(465,185)
Actuarial gain/ (losses)	375,687	(1,130,296)
Closing defined benefit obligation	16,721,381	7,945,700

Change in plan assets	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Plan assets at the beginning of the year, at fair value	8,827,023	5,535,431
Expected return on plan assets (estimated)	660,639	552,227
Actuarial gain/ (losses)	66,004	4,550
Contributions	333,576	3,200,000
Benefits settled	(1,471,658)	(465,185)
Plan assets at the end of the year, at fair value	8,415,584	8,827,023

Reconciliation of present value of the obligation and the fair value of the plan assets	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
Fair value of plan assets at the end of the year	8,415,584	8,827,023
Present value of the defined benefit obligations at the end of the year	(16,721,381)	(7,945,700)
Asset/ (liability) recognised in the balance sheet	(8,305,797)	881,323

Notes to the financial statements (Contd...)

Gratuity cost	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Current service cost	9,276,838	1,506,437
Interest on defined benefit obligation	594,814	611,228
Expected return on plan assets	(660,639)	(552,227)
Actuarial (gain)/ losses	309,683	(1,134,846)
Total, included in "Employee benefit expense"	9,520,696	430,592

Assumptions	As at	As at
	31 March 2013	31 March 2012
	Rs.	Rs.
Discount factor	8.25%	8.50%
Expected rate of return on plan assets	8.00%	8.00%
Expected rate of salary increase	6.00%	3.00%
Retirement age	58 years	58 years

History of defined benefit obligations and experience (gains) and losses Rs.

Particulars	Financial year ending				
	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010	As at 31 March 2009
Defined benefit obligation	16,721,381	7,945,700	7,423,516	5,318,476	3,906,394
Plan assets	8,415,584	8,827,023	5,535,431	4,294,128	3,814,242
Funded status - deficit / (surplus)	8,305,797	(881,323)	1,888,085	1,024,348	92,152
Experience adjustments on plan liabilities	580,251	-	-	-	-
Experience adjustments on plan assets	31,069	-	-	-	-

Compensated absences: For the year ended 31 March 2013, Rs. 5,802,137 (previous year Rs. 2,689,169) has been charged to the statement of profit and loss.

36 Related party disclosure

(A) Names of related parties and relationship

a. Key managerial personnel:

George Joseph	Chairman
Kochouseph Chittilappilly	Vice Chairman
Arun K Chittilappilly	Managing Director
Priya Sarah Cheeran Joseph	Director
M. P. Ramachandran	Director
R.S. Raghavan	Director (till 1 August 2011)

Notes to the financial statements (Contd...)

b. Relative of key managerial personnel:

Sheila K Chittilappilly	Wife of Kochouseph Chittilappilly
Mithun K Chittilappilly	Son of Kochouseph Chittilappilly

c. Name of the parties under common control with whom transactions have taken place during the period:

1. V-Star Creations Private Limited
2. Veegaland Developers Private Limited

d. The following is the summary of significant transactions with related parties

Nature of transactions	Rs.	
	For the year ended 31 March 2013	For the year ended 31 March 2012
Other income		
Rent received		
V-Star Creations Private Limited	50,972	62,634
	50,972	62,634
Interest on unsecured loan taken		
Arun K Chittilappilly	70,219	-
	70,219	-
Unsecured loans repaid		
Arun K Chittilappilly	20,063,197	-
	20,063,197	-
Sale of assets		
Veegaland Developers Private Limited	5,922	3,000,000
	5,922	3,000,000

Nature of transactions	Rs.	
	For the year ended 31 March 2013	For the year ended 31 March 2012
Payment of final equity dividend		
Arun K Chittilappilly	11,865,300	11,865,300
Kochouseph Chittilappilly	27,674,850	27,674,850
Priya Sarah Cheeran Joseph	2,250,000	2,250,000
Sheila K Chittilappilly	11,804,100	11,804,100
Mithun K Chittilappilly	9,405,000	9,405,000
	62,999,250	62,999,250
Sitting fees		
George Joseph	160,000	140,000
M. P. Ramachandran	130,000	20,000
	290,000	160,000

Notes to the financial statements (Contd...)

Managerial remuneration*

Nature of transactions	Rs.	
	For the year ended 31 March 2013 Rs.	For the year ended 31 March 2012 Rs.
Arun K Chittilappilly	5,832,984	3,828,591
Kochouseph Chittilappilly	8,077,092	8,165,198
Priya Sarah Cheeran Joseph	4,440,816	3,649,559
George Joseph	900,000	675,000
R.S. Raghavan	-	1,363,334
	19,250,892	17,681,682

* Managerial remuneration does not include cost of retirement benefit such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

e. The balances receivable from and payable to related parties are as follows:

Nature of balances	As at	
	31 March 2013 Rs.	31 March 2012 Rs.
Dividend payable		
Arun K Chittilappilly	11,865,300	11,865,300
Kochouseph Chittilappilly	26,063,688	27,674,850
Priya Sarah Cheeran Joseph	2,250,000	2,250,000
Sheila K Chittilappilly	10,566,345	11,804,100
Mithun K Chittilappilly	9,405,000	9,405,000
	60,150,333	62,999,250
Accounts payable		
Arun K Chittilappilly	2,549,728	1,369,559
Kochouseph Chittilappilly	3,824,592	4,565,198
Priya Sarah Cheeran Joseph	1,721,066	1,369,559
	8,095,386	7,304,316
Accounts receivable		
V-Star Creations Private Limited	5,113	2,653
	5,113	2,653

37 Segment reporting

In accordance with the Accounting Standard 17 - "Segment Reporting" issued under the Companies (Accounting Standards) Rule, 2006, the primary business segment of the Company is providing amusement facilities, resorts and others. The risks and rewards associated with these three categories of business are significantly different. Therefore, the primary segment consists of providing amusement facilities, resort and others. The Company caters to the domestic market and accordingly there is no reportable geographical segments.

Notes to the financial statements (Contd...)

Business Segment

For the year ended 31 March 2013 (previous year ended 31 March 2012)

Particulars	Amusement park	Resort	Others	Total
Revenue				
Total revenue	1,209,266,106	58,390,438	110,848,612	1,378,505,156
	(1,046,670,438)	(66,380)	(84,611,993)	(1,131,348,811)
Other income	11,252,539	1,066,971		12,319,510
	(8,543,453)	(175)	-	(8,543,628)
Segment revenue	1,220,518,645	59,457,409	110,848,612	1,390,824,666
	(1,055,213,891)	(66,555)	(84,611,993)	(1,139,892,439)
Result				
Segment result	530,405,349	-50,023,357	41,970,761	522,352,754
	(437,900,528)	(-15,330,791)	(29,058,984)	(451,628,721)
Unallocated corporate expenses				24,889,463
				(17,006,682)
Operating profit				497,463,291
				(434,622,039)
Add : Interest and dividend income				2,865,130
				(4,056,087)
Profit before tax				500,328,421
				(438,678,126)
Less : Taxes				164,435,000
				(143,706,000)
Profit for the year				335,893,421
				(294,972,126)
Other information				
Segment assets	1,364,643,845	271,664,076	6,085,500	1,642,393,421
	(1,108,968,448)	(273,437,871)	(5,272,907)	(1,387,679,226)
Unallocated corporate assets				17,194,675
				(9,018,288)
Total assets				1,659,588,096
				(1,396,697,514)
Segment liabilities	248,052,607	139,086,750	5,675,203	392,814,560
	(149,577,260)	(174,836,133)	(3,815,213)	(328,228,606)
Unallocated corporate liabilities				67,274,886
				(131,156,826)
Total liabilities				460,089,446
				(459,385,432)
Capital expenditure	353,415,472	9,095,956	-	362,511,428
	(145,031,017)	(217,977,611)	-	(363,008,628)
Depreciation	105,448,156	12,999,895	-	118,448,051
	(110,190,064)	(5,382,541)	-	(115,572,605)
Non-cash expenses other than depreciation				
Foreign exchange gain				168,661
				(5,748)

Notes to the financial statements (Contd...)

38 MSMED disclosure

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2013 has been made in the financial statements based on information received and available with the Company. Further in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the said Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2013 Rs.	For the year ended 31 March 2012 Rs.
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
Interest paid in terms of Section 16 (at 3 times RBI rate) and the amount of delayed payments;	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year;	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise;	-	-

The disclosure of provisions movement as required under the provisions of Accounting Standard (AS) -29 on Provisions, contingent liabilities and contingent assets is as follows:-

S. No.	Particulars	As at 1 April 2012	Additions	Utilised	Reversed	As at 31 March 2013 Rs.
1	Provision for service tax	4,572,139	2,544,377	-	-	7,116,516
2	Provision for entertain-ment tax	437,100	-	-	-	437,100
Total		5,009,239	2,544,377	-	-	7,553,616

1. Provision for service tax: During the year 2011-12 to 2012-13, the Additional Commissioner of Central Excise & Customs have raised demands on the share of income from restaurants in Kochi, for the period from October 2008 to March 2012 aggregating to Rs. 20,815,077/- including penalty and interest, which have been disputed by the Company before the Commissioner of Central Excise (Appeals). Though the Company is hopeful of a favourable decision, provision has been made to the extent of Rs. 7,116,516/- in the accounts as a matter of abundant caution and the differential demand is shown as contingent liability.

Notes to the financial statements (Contd..)

2. Provision for entertainment tax: During the year 2010-11, the Hon.Karnataka Appellate Tribunal had passed orders in favour of the Company in respect of entertainment tax for the years 2005-06 and 2006-07 which was in dispute and the entire balance dues had been paid by the Company. Pending issue of order for giving effect to this appellate order by the assessing authority, the Company had already paid the tax on similar basis for the year 2007-08 which is pending before the First Appellate Authorities.

- 40** Advances includes an amount of Rs. 12,703,477/- due from a foreign vendor who has gone into liquidation and hence fully provided for in earlier years. Pending approval of Reserve Bank of India, both advance and provision is carried forward and not netted off.
- 41** The comparative figures have been regrouped/ reclassified, wherever necessary, to conform to the current period's presentation.

The notes referred to above form an integral part of the interim financial statements

As per our report attached

for **B S R & Co.**
Chartered Accountants
Firm registration no.: 102148W
Sd/-
Zubin Shekary
Partner
Membership No.: 048814

Place : Kochi
Date : 27.05.2013

for and on behalf of the Board of Directors of
Wonderla Holidays Limited
(formerly Wonderla Holidays Private Limited)
Sd/-
Arun K Chittilappilly **George Joseph**
Managing Director Chairman
Sd/-
Nandakumar T **Santosh Kumar Barik**
Vice President-Finance Company Secretary
Place : Kochi
Date : 27.05.2013



WONDERLA HOLIDAYS LIMITED
Regd. Office: 28th KM, Mysore Road, Bangalore- 562109.

ATTENDANCE SLIP

ELEVENTH ANNUAL GENERAL MEETING

D.P. Id

Client Id

No. of Shares held

--	--	--	--	--	--	--	--

I/We hereby record my/our presence at the ELEVENTH ANNUAL GENERAL MEETING of the Company at Wonderla Resort, 28th KM, Mysore Road, Bangalore- 562109, on Wednesday, the 24th day of July, 2013 at 2.00 P.M.

Signature of the attending member or Proxy



WONDERLA HOLIDAYS LIMITED
Regd. Office: 28th KM, Mysore Road, Bangalore- 562109.

PROXY FORM

I/We
of.....in the district of.....being
a Member/Members of the above named company, hereby appoint
.....ofin the district of
or failing himof.....
in the district ofas my/our Proxy to attend and vote for me/us
and on my/our behalf at the Eleventh Annual General Meeting of the Company held at Wonderla
Resort, 28th KM, Mysore Road, Bangalore- 562109, on Wednesday, the 24th day of July, 2013 at 2.00
P.M. and at any adjournment thereof.

Signed this dayday of2013

Affix a
1 Rupee
Revenue
Stamp

Reference D.P. Id & Client Id :
No. of Shares :

NOTE : The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than FORTY-EIGHT hours before the time for holding the aforesaid meeting.



Vasan Eye Care team conducting eye testing to employees at Wonderla, Bangalore



Winners receiving "Wonderla Green award" at Wonderla, Bangalore



Inauguration of XD Max ride at Wonderla, Bangalore



Inauguration of Wonderla Resort at Bangalore



Wonderla Kochi GM, Mr. Ravikumar.M.A and Dy. GM, Mr.Ajikrishnan. A.G receiving the "Kerala State Tourism Award for the year 2010-11 in the category of Best Tourism Destination"



Wonderla Environment and Energy Conservation Awards 2012 distribution ceremony held at Wonderla, Kochi



Mrs. Priya Arun Chittilappilly, Director distributing the prize to the Winner team of WAST-2012 at Wonderla, Kochi



Inauguration of the Onam Celebration Function at Wonderla Kochi.



AMUSEMENT PARK & RESORT
BANGALORE ■ KOCHI

Registered Office:

Wonderla Holidays Ltd, 28th K.M, Mysore Road, Bangalore- 562 109
Bangalore Park: 080 22010333; Resort: 080 33710333 | Kochi Park: 0484 2684009
www.wonderla.com