



Forward Moving... Forever!



ANNUAL REPORT 2011-2012





THE AMUSEMENT PARK
BANGALORE





George Joseph
Chairman



Kochouseph Chittilappilly
Vice Chairman



Arun K Chittilappilly
Managing Director



Priya Sarah Cheeran Joseph
Executive Director



M.P. Ramachandran
Professional Director

Dear Shareholders,

It is with immense pleasure and satisfaction I present the Annual Report for the year 2011-12.

At the global level, the US economy continues to show signs of modest recovery. Large scale liquidity infusions by the European Central Bank (ECB) have significantly reduced stress in the global financial markets. However, recent developments, in Greek and Spain, indicate that the euro area sovereign debt problem will continue to weigh on the global economy. International crude oil prices have surged to a higher level reflecting both geo-political concerns and abundant global liquidity. Growth also slowed down in emerging and developing economies (EMEs) reflecting the combined impact of monetary tightening and slowdown in global growth.

After grown at the rate over 8% in the two preceding years, India's overall growth of Gross Domestic Product (GDP) declined to 6.9 per cent in the year 2011-12. But in any cross-country comparison, India still remains among the front runners in economic growth. Having said that, the economy continued to grapple with fresh challenges - the biggest amongst them being the adverse impact of global slowdown on our economy, double digit inflation, higher interest rates, political instability, depreciation of the Indian Currency and continued increase in crude oil prices.

When the economy gets light, everybody seems to be working harder, and then you need the vacation even more and that propels the tourism Industry. The estimated growth in GDP for the trade, hotels, transport and communication sectors during 2011-12 is placed at 11.2 per cent as against growth of 11.1 percent in the previous year. The tourism industry has grown at a rapid pace and contributes significantly in terms of both GDP and employment generation in several countries. India ranks as one of the fastest-growing travel and tourism markets in the world. Besides fast growth of the domestic tourists, the Foreign Tourist Arrivals (FTAs) to India has increased at a scorching pace. The country is a favoured tourist destination for leisure, as well as business travel.

Your Company achieved a total revenue of Rs. 11441.92 lakhs during the year, an increase of 25.50% over the previous year of Rs. 9115.12 lakhs (excluding extra ordinary item) The Profit Before Tax (excluding profit from sale of fixed assets) increased from 3192.06 lakhs in 2010-11 to Rs. 4386.78 lakhs in 2011-12, an increase of 37.43%.

As the interest and demands of guests change, your Company is working aggressively to develop new experiences, implement new technologies and generate unique attractions. The hard work is paying off in terms of more visitors and higher profits. Creativity is the key to the success of the Company and this creativity is the cornerstone of the company's strategy in providing new rides, experiences and services to its guests.

Operationally, the year has been a landmark one for your Company. The company forayed into the new domain of Hospitality and I am happy to share that we have opened a leisure Resort, a first-of-its-kind, built right inside the Bangalore Park. Foray into the hospitality business is aligned with our strategic objective of focusing on innovation and wealth creation. Hospitality business segment is a fast growing and evolving sector. With the successful run of the Amusement park at Bangalore, registering attendance of more than 5 million visitors, it is expected that the Resort Operation will add new dimension to the Company's achievements. The Resort consists of a Eco-friendly 3 star hotel with 84 luxury rooms, a restaurant, 4 Banquet/Conference Halls totalling to 8900 sq.ft, fully equipped Board room, a swimming pool, recreation area, kids activity centre and a fully loaded Gym.

Your Company has embarked on an ambitious growth path. Looking at the rapid growth of the amusement park industry in India and the success of two parks in Kerala and Karnataka, Company is planning to set up two more amusement parks one in Andhra Pradesh (Hyderabad) and another in Tamilnadu (Chennai).

While focusing on business, the Company continues to be a socially responsible corporate. Your Company is continuously strengthening its safety, health and environment initiatives across the parks, in addition to other focused CSR activities. I urge you to go through the paragraph on Corporate Social Responsibility initiatives, which forms a part of this Annual Report.

ACKNOWLEDGEMENTS

Before I conclude, I wish to acknowledge the hard work and dedication of our employees, which has led to our improved performance. The Company's quest for continuous wealth creation would not have been possible without the support that my colleagues and I have received from all our shareholders, banks, financial institutions, governmental agencies, customers and other business associates. I am grateful to them for their continued confidence in the management and expect to receive their full support in augmenting our future plans and strategies.

Yours Sincerely,

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- Executive Director M.P. Ramachandran- Professional 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.
Auditors	:	M/s Varma & Varma, Chartered Accountants HAL 2nd Stage, Bangalore -560038
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

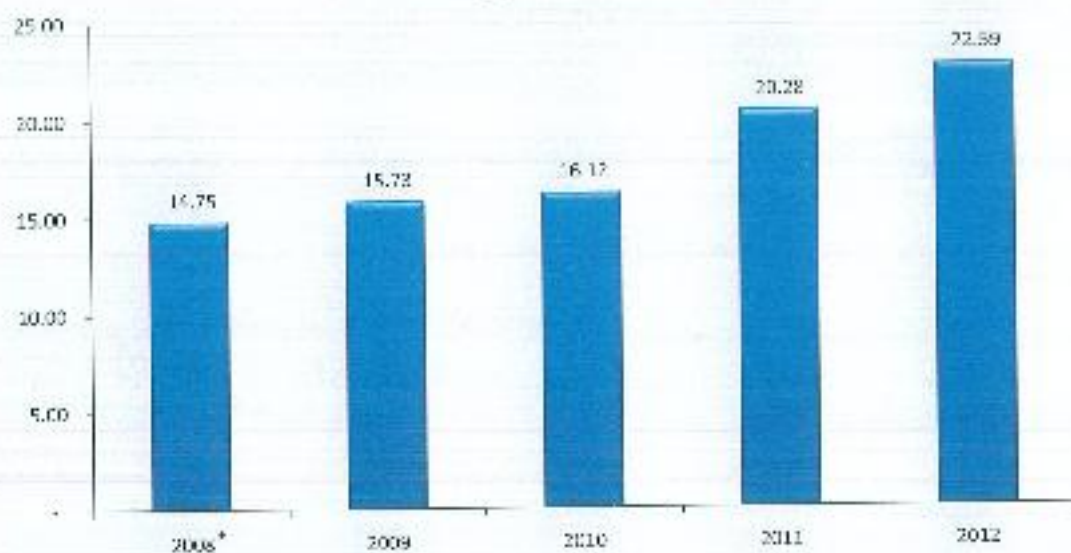


WONDERLA HOLIDAYS PRIVATE LIMITED

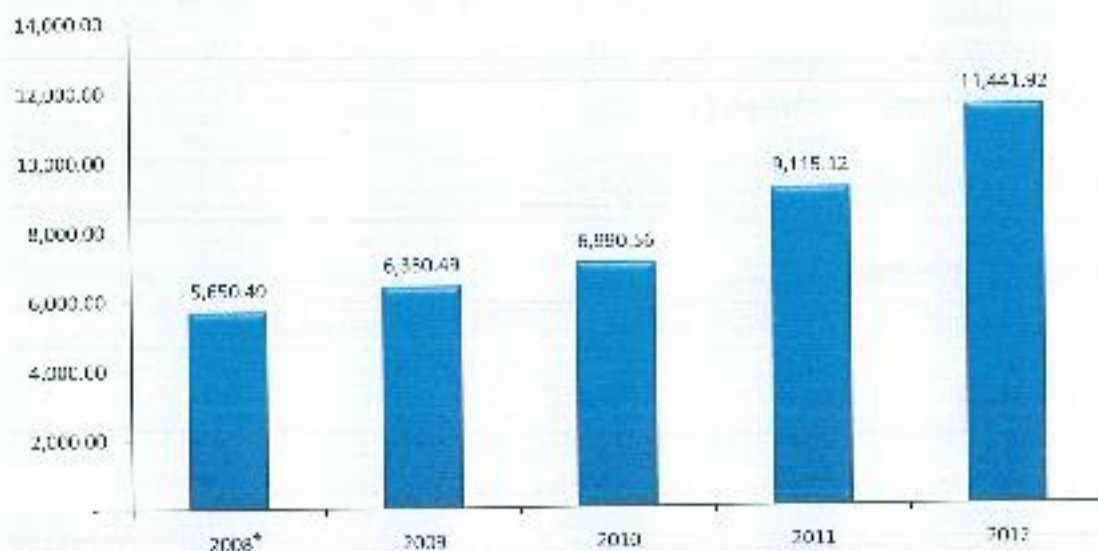
CONTENTS

Notice to Members	-	6
Directors' Report	-	10
Management Discussion and Analysis Report	-	24
Report on Corporate Governance	-	28
Auditors' Report	-	33
Balance Sheet	-	38
Profit and Loss Account	-	39
Cash Flow Statement	-	40
Notes to Balance Sheet	-	42
Notes to Profit and Loss Account	-	52
Significant accounting Policies and Notes on Accounts	-	55
Attendance Slip / Proxy Form	-	69

Visitors (Nos. in Lakhs)

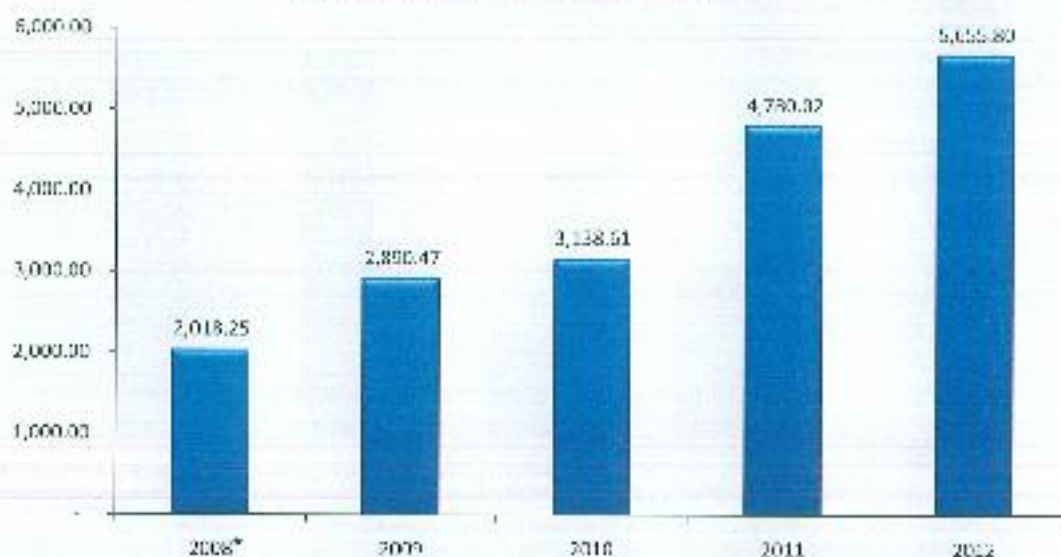


Turnover (Rs. in Lakhs)

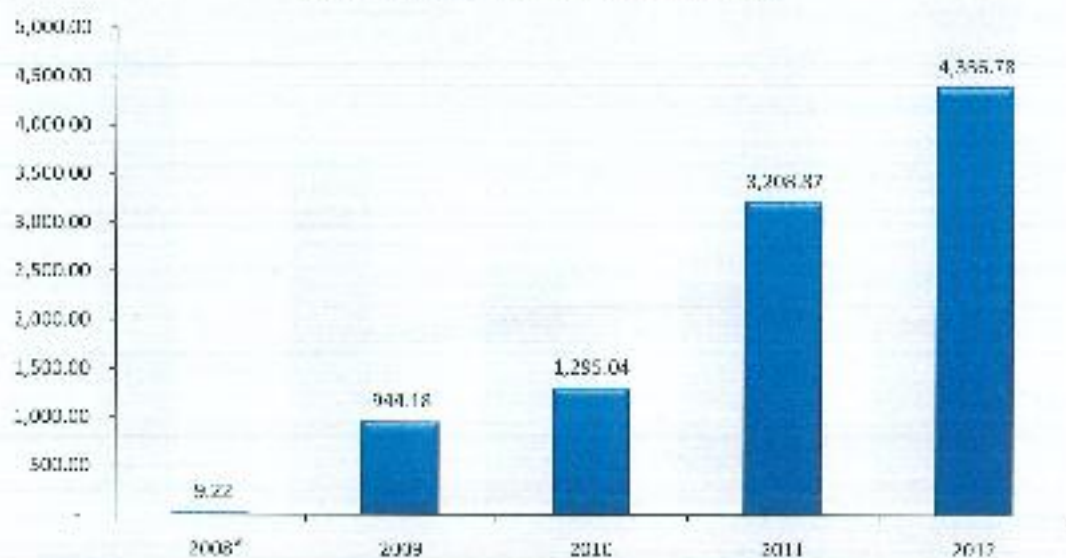


* This includes turnover figures of 10% House Holidays & Parks Private Ltd which amalgamated with 1st April 2009.

Operating Profit (Rs. in Lakhs)

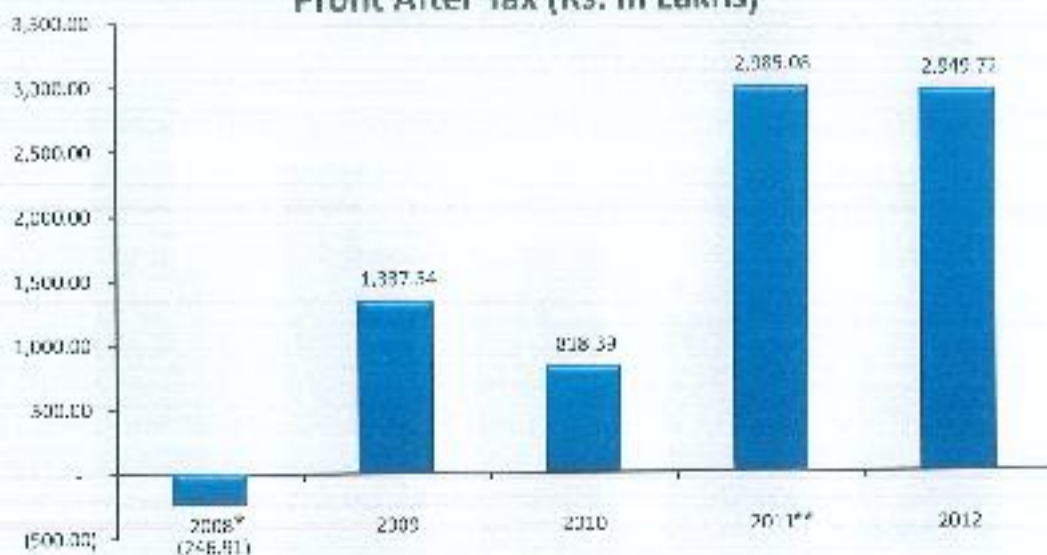


Profit Before Tax (Rs. in Lakhs)



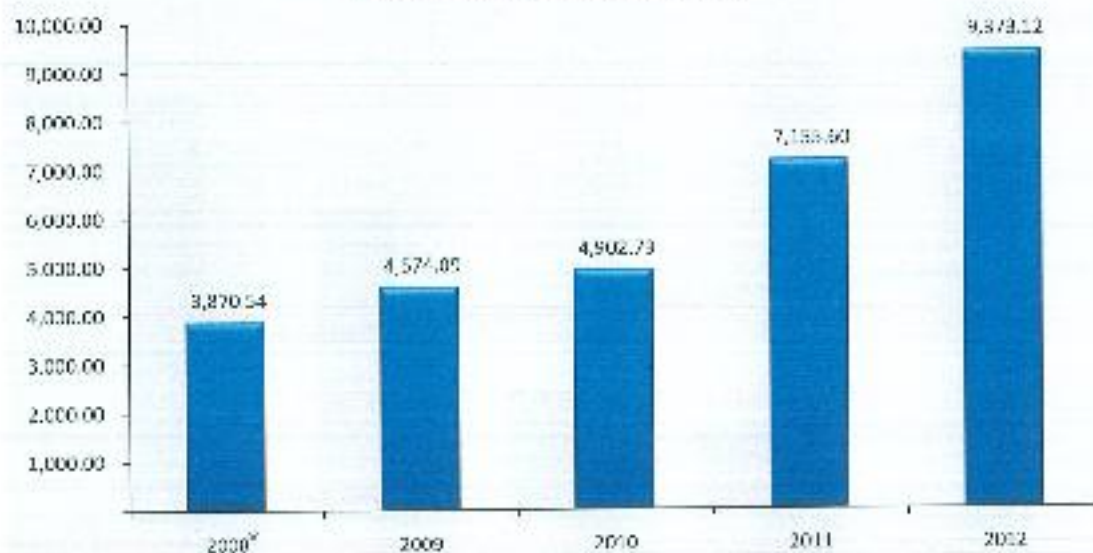
* This includes Interest figures of Wels Vange Holidays & Parks Private Ltd which amalgamated on 1st April 2009.

Profit After Tax (Rs. in Lakhs)



** 2011 includes extra ordinary items

Net Worth (Rs. in Lakhs)



* This includes dividend income of 6% Vega Holidays & Resorts Private Ltd which was received on 1st April 2009.



NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the members of Wonderla Holidays Private Limited will be held at the Registered Office of the company at Jadenahalli, Hejjala P.O, 28th K M, Mysore Road, Bangalore-562109 on Thursday, the 9th day of August, 2012 at 11.30 am to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as on 31st March 2012 and the Profit and Loss Account of the company for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint M/s Deloitte Haskins & Sells as Auditors of the Company in place of Retiring Auditors who has expressed their inability to be re-appointed as Statutory Auditors of the Company, for the period commencing from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To appoint Mr. M.P. Ramachandran as a Director of the Company.

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

RESOLVED THAT Mr. M.P. Ramachandran, Additional Director who holds office up to the date of this ensuing Annual General Meeting as per Article 31(a) of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company.

5. To Alter Articles of Association of the Company.

To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution: -

RESOLVED THAT Pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to the provisions of the Depositories Act, 1996, the clauses from 4.3A to 4.3J of Chapter III of Articles of Association of the company be and are hereby inserted as following:

*4.3A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize / rematerialize its securities and to offer the securities in the dematerialized form pursuant to Depositories Act, 1996 and the rules framed there under.

4.3B. Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security.

4.3C. All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

4.3D. (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;"

(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;

(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.

4.3E. Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

4.3F. If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.



4.3G. Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.

4.3H. Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.

4.3I. Notwithstanding anything contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to the securities held with a depository.

4.3J. The Register and index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles."

For and on behalf of the Board of Directors

Sd/-
Santosh Kumar Barik
Company Secretary

Bangalore
30th June, 2012

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. The relative explanatory statement pursuant to Section 173 of the companies Act, 1956 In respect of business under item no. 4 is annexed here to.
4. 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.

Explanatory Statement Pursuant to Section 173 (2) of the companies Act, 1956

Item No.4

The members may note that Mr. M.P. Ramachandran was inducted on the Board of the Company as an Additional Director with effect from 24th November 2011. Mr. M.P. Ramachandran is the founder Chairman and Managing Director of M/s Jyothy Laboratories Ltd and holds the office of Directorship on the Board of many other companies. He has steered the Jyothy Laboratories Ltd to a company having market capitalization of Rs. 2400 crores which shows his vast experience in guiding and directing a company in to right path of progress and development.

As per Article 31(a) of the Articles of Association of the Company, the Additional Director appointed by the Board holds office till the date of Annual General Meeting and Mr. M. P. Ramachandran, being eligible is proposed to be appointed as a Director.

Your Directors proposes to appoint him as Director.

None of the Directors, except Mr. M.P. Ramachandran, is interested in the resolution.

Item No.5

The Company's shares are in physical mode and it is proposed to provide Demat facility to the Shareholders of the Company by inserting a depository clause in Articles of Association of the Company. Presently there are two depositories functioning in India i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Dematerialisation (Demat) is the process by which the shares held in physical form are cancelled and destroyed and the ownership thereof is entered into and retained in fungible form in electronic mode on a Depository. Converting physical holding of shares into demat holding helps the shareholder to get immediate transfer of shares. No stamp duty is payable on transfer of shares in demat mode and the shareholder can avoid risks associated with physical certificates such as forged transfers, fake certificates, bad deliveries and loss of certificates.

Your Directors proposes to include the clauses from 4.3A to 4.3I.

None of the Directors are interested in the resolution.

For and on behalf of the Board of Directors

Bangalore
30th June, 2012

Sd/-
Santosh Kumar Barik
Company Secretary



REPORT OF THE DIRECTORS

Your Directors have immense pleasure in presenting the 10th Annual report together with the Audited Financial Statements for the year ended 31st March 2012.

ECONOMIC OVER VIEW

India's overall growth of Gross Domestic Product (GDP) registered at 6.9 per cent in 2011-12, after having grown at the rate of over 8% in the two preceding years. Growth in the index of industrial production (IIP) slowed down to 3.5 per cent during 2011-12 from 8.1 per cent in the corresponding period of the previous year.

The sovereign debt crisis in the Euro zone, the uncertainty in the U.S Economy, the volatility in the global markets, double-digit domestic inflation, higher crude oil price, tsunami in Japan, excessive government debt, political instability etc., have impacted investment and consumption growth in India. Our monetary and fiscal policy measures during this period were geared towards taming domestic inflationary pressures. A tight monetary policy impacted investment and consumption growth. The fiscal policy had to absorb expanded outlays on subsidies and duty reductions to limit the pass-through of higher fuel prices to consumers. As a result, growth moderated and the fiscal balance deteriorated.

Global Amusement and Theme Park Industry

The global amusement and theme park industry has witnessed a fairly rapid growth in recent years. The trend in amusement parks during 2011-12 points to resilience and recovery in the amusement and theme park industry. There is a worldwide growth in terms of the number of Visitors. The amusement parks in US continue to be the leaders, topping the worldwide ranking. The amusement parks in North America and Europe have also done relatively well. Asia also has registered stronger growth, especially in China and India where the middle class is expanding rapidly.

The Study of the Amusement Park Industry in India conducted by M/s Ernst & Young provides a comprehensive insight into the industry in India and its future growth prospects. The amusement parks industry in India is currently growing at 15-20% and is focused to achieve a higher growth rate in the years to come.

Financial Results

(Rs. in Lakhs except Earnings per Share)

	31/03/2012	31/03/2011
Income from Operations	10427.26	5244.94
Income from Sale of Products	846.12	719.46
Other Income	166.53	1230.58
Profit before tax	4385.78	4272.02
Provision for current tax	1451.80	1237.19
Provision for deferred tax	(14.74)	49.51
Provision for taxation of earlier years	-	0.24
Profit after tax	2945.72	2085.08
Earnings per share	7.02	7.11
Earnings per Share (Excluding extraordinary income)	7.02	5.10

Business Performance / Financial Overview

Your Company achieved total revenue of Rs.11441.92 lakhs during the year, an increase of 25.50% over the previous year of Rs.9115.12 lakhs (excluding extra ordinary item). The Profit Before Tax (excluding profit from sale of fixed assets) increased to Rs.4386.78 lakhs in 2011-12, from 3192.06 lakhs in 2010-11 an increase of 37.43%.

The number of visitors during 2011-12 has gone up to 22.59 lakhs from 20.28 lakhs during 2010-11 registering an increase of 11.39%.

The clean, hygienic, safe and secure settings together with the thriller rides have remained the attraction in your Company's parks at Bangalore and Kochi. So far, both the parks together have attracted over 15 million Visitors.

Your Company continues to focus on adding new rides, theaters, restaurants, etc. to attract good number of corporates, schools and colleges from various parts of the Country to the parks.

APPROPRIATIONS

Available for appropriation	(Rs. in Lakhs)
Profit after tax	2949.72
Add: Balance brought forward from previous year	2338.21
Total	5287.93
Recommended appropriations	
Transfer to general reserve	221.23
Proposed dividend Rs 1.50/- per share of face value of Rs 10/- each (15%)	630.00
Dividend tax	102.20
Balance carried forward	4334.50

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

The growth of Indian economy and the consequent increase in spending power of the Indian middle class will enable the amusement park Industry to grow both vertically and horizontally, vertically, in terms of the scale of investment and horizontally across the length and breadth of the Country. The amusement parks industry in India

is of the size of Rs.7,000 crores and has been growing exponentially in the last few years. There are over 150 amusement parks (including water theme parks) in India, and more are coming up across the country. Development of transport corridors like expressways and the Metro lines will bring an increasing number of people closer to entertainment hubs in coming years. The new trend of adding 3/5 star level hotels/cottages/Resorts, convention centers, Shopping Malls, Multiplexes etc. along with the amusement parks attracts more visitors with higher spending power.

Taking into account the growth potential of the Indian Amusement park industry and the success of two parks in Kochi and Bangalore, Your Company is planning to come up with two more new amusement parks, one at Hyderabad and another at Chennai at a total investment of about Rs.450 crore.

General Performance Review

The resources of your Company were optimally utilized to maximize the return and minimize the risk. Through proactive and pragmatic approach, the Company could post excellent results even during the period of volatility and turbulence prevailing worldwide. While the revenue, during the year, grew by 25.50%, footfall recorded a growth of 11.39 % over last year. During the year under review the company has crossed the 150 lakhs mark in the cumulative number of visitors to the parks since inception. This was possible due to streamlining the operational activities of the Company, understanding the frame of mind of the Visitors in terms of giving them awesome enjoyment, providing additional facilities like introduction of Wrist Band (EC payment) system for easy spending inside the park, adding new rides, variety of food items on the menu etc.

The optimal economic benefits of tourism come when overnight stay of the tourist is ensured. Riding on this concept, Your Company opened an Eco-friendly 3 star hotel consisting 84 luxury rooms, multi cuisine restaurants, Redice Bar, four Banquet/Conference Halls, fully equipped Board room, swimming pool, recreation area, Kids activity centre and a fully loaded Gym.

During the period under review, as part of the company's strategy to provide enhanced customer delight, your Company had added two more attractions. "Equinox", a land ride with high thrill ride experience with a capacity to accommodate 18 visitors at a time was installed at Bangalore. At Kochi a new 90 seater XD Max theater which gives a unique mix of visual and physical experience was opened.

Our Guest relation department organized various seasonal programs including fun games, traditional music band, dance floor, magic shows by Magician etc, during festive occasions like Valentine's Day, Christmas, Ramzan-Onam, Dasara etc..Food festivals with traditional and continental flavors were also made available to the guests during these occasions.

Your Company is having a multi-dimensional marketing department. As part of its marketing/publicity activities, marketing department brings out brochures, leaflets, maps, films, CDs, etc., on various initiatives undertaken by the Company. Marketing department of the Company adopts direct marketing under which it directly reaches target group such as corporate employees, schools, colleges etc.. The Company has 47 dedicated Sales Promotion Agencies (SPA) apart from tour operators spread throughout South India. 38% visitors during the fiscal year came through direct marketing efforts of the Company.

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.

The Company has taken a number of initiatives for Improving the health of its employees. Annual medical check-ups help the timely diagnosis of health problems, if any. The company also offers a mediclaim policy that provides for healthcare expenses and other benefits to employees and their family members.

Another initiative of the company in creating Environmental awareness among the young generation is the "Wonderla Environment & Energy Conservation" Award instituted in the year 2008 at its Kochi park. Since then, it has become a part of annual calendar of events at Wonderla. During the last fiscal year, the Company had invited schools through advertisement published in leading newspapers. 128 schools participated in the competition, 35 schools were short listed and 3 were finally selected as winners on certain pre-set criteria's such as rain water harvesting, conservation and optimum utilization of natural resources etc..The winning schools were awarded with cash prizes and free entry passes. The response got from schools in Kerala, on the Environment & Energy Conservation awareness programme, encouraged your Company to replicate the same model named as "Wonderla Green Awards" at its Bangalore Park. The Company had invited participation of schools coming under Bruhat Bangalore Mahanagar Palike (BBMP) limits. Out of 22 schools which participated 12 schools were short listed and three schools were finally selected as winners. The winning schools were honoured with Trophies and cash prizes. Your Company is planning to conduct the same programme in a bigger way in the years to come to create the environmental awareness among the masses.

The company by its eco friendly approach has obtained ISO 14001: 2004 certification and Occupational Health and Safety Management System (OH&S) 18001: 2007 certification. During the year it integrated both the certification to Integrated Management Service (IMS) valid up to 2014.



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

Corporate social responsibility is a form of corporate self-regulation integrated into the business model of Wonderla. Involvement in Corporate Social Responsibility initiatives therefore, is a natural extension that makes a difference to the lives of people and the environment. Our objective is to uplift the economically backward class of society through positive intervention in social upliftment programs.

As part of our Corporate Social Responsibility,

- Your Company had entered a Memorandum of Understanding with socially committed organisations such as Sambhav Foundation, Bangalore and Rajagiri Outreach, Cochin, to meaningfully implement the Corporate Social Responsibility initiatives of the Company.
- As part of CSR initiatives, the company distributed school bags, books etc., to more than 300 primary school students in six different government schools in nearby villages of Wonderla Bangalore through Sambhav Foundation.
- The Company upgraded the infrastructure facilities of two government schools in neighbouring villages of Wonderla Bangalore. The company further donated creative learning materials to the schools, for the use of students
- The Company sponsored 950 economically backward students in Kunnathunadu Grama Panchayat of Ernakulam District and Tholur Grama Panchayat of Thrissur District through Rajagiri Outreach

Information Technology:

The Company runs applications for Ticket billing and stock control, Merchandise billing, payroll processing, Stores maintenance, HRMS etc. in Oracle and Tally for financial accounting System.

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 revenue, during the year Rs.11441.92 lakhs is 25.50% higher than Rs.9115.12 lakhs (excluding profit from sale of fixed assets) achieved during the previous year.

Profit Before Tax

The profit before tax for the year is Rs.4386.78 lakhs in comparison to Rs.3192.06 lakhs of previous year.

Profit After Tax

The profit after tax for the year is Rs.2949.72 lakhs in comparison to Rs.2985.08 lakhs of previous year.

Investments

The Company's investment as on 31-3-12 was Nil.

Costs/Expenses

The total expenses for the year under review have gone up by 19% compared to last year.

Financial Position

Shareholder Funds

The shareholders funds as on 31.03.2012 was Rs.9373.12 lakhs against Rs.7155.60 lakhs of previous year. The book value of the share, accordingly, stands at Rs.22.32 as compared to Rs.17.03 for the previous year.

Loan Funds

The Company utilizes the Over Draft limit only for meeting temporary mismatch in the cash flow. There is a term loan liability of Rs.2146 lakhs as on 31st of March 2012 as compared to Rs.1673 lakhs as on 31st of March 2011.



Assets

Fixed assets

The capital expenditure including capital work in progress during the year was Rs.3630.09 lakhs against Rs.1302.47 lakhs during the previous year. The net fixed asset was Rs.12101.81 lakhs compared to Rs.9307.14 lakhs previous year.

Inventories and Sundry Debtors

The overall inventory has gone up by Rs.36.86 lakhs compared to previous year.

The Receivables as on 31st of March 2012 is 20.56 lakhs.

Ratio

The Return on Equity (ROE) was 31% compared to 42% in previous year.

Recognitions and Awards

The Company has got the following awards during the year:

- ❖ 1st prize in Small Scale Industry category of CITI EXCELLENCE AWARD in EHS - 2010 by Confederation of Indian Industry (CII).
- ❖ Highest Number and Variety of Rides Award from Indian Association Of Amusement Parks & Industries (IAAPI).
- ❖ Innovative Promotional Activity Media Award from Indian Association Of Amusement Parks & Industries (IAAPI).

Directors

Mr. R S Raghavan resigned from the Board with effect from 16th August 2011 and Board placed on record his valuable contributions during his tenure. Mr. M P Ramachandran was appointed as Additional Director w.e.f. 24th of November 2011.

Mr. Kochouseph Chittilappilly, Managing Director was appointed as Vice Chairman of the Board while Mr. Arun K Chittilappilly, Executive Director was appointed as Managing Director and Ms. Priya Sarah Cheeran Joseph, Director Administration was appointed as Executive Director of the Company with effect from 1st April 2012.

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 Varma and Varma, Chartered Accountants, 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 and have expressed their inability to accept re-appointment. Board of Directors has recommended appointment of M/s Deloitte Haskins & Sells as Auditors of the Company, from the conclusion of this ensuing Annual General Meeting until the conclusion of the next Annual General Meeting 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 2012 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 Private Limited**

**Place : Bangalore
Date : 30th June 2012**

**Sd/-
George Joseph
Chairman**

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. Continuation of internal energy audit through energy cells under BFE approved energy auditor.
2. Replacement of submersible pumps with energy efficient surface pumps
3. Replacement of pumps having glands with mechanical sealed pumps.
4. Provided Inverters for the Emergency Lighting Circuit to reduce the usage of DG set.
5. Optimised the lighting at Guest Changing Rooms by changing 36W FTL's to T5 lamps.
6. Conducted pump efficiency tests for all the pumps above 3 Hp and started replacing less efficient with energy efficient pumps.
7. Optimised lighting at Vehicle parking area, moonwalker, administration building and toilet.
8. Changing conventional aeration to diffused aeration.
9. Autoclose taps were implemented in all washbasins, toilets and other areas of the park.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.	<p>The following proposals are approved for implementation as part of energy conservation programme.</p> <ol style="list-style-type: none"> 1. Installation of Solar PV cells initiated. 2. Energy cell- for monitoring and controlling the energy usages. 3. Operation and maintenance system review. 4. Optimize lighting at Water park area and sky wheel tower.
(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.	<p>Power consumption per visitor has come down, even after increase of rides. Operating cost of water management has also come down, with reduced water consumption, even with the steady increase in footfalls.</p>
(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.	<p>----- N/A -----</p>

B. Technology absorption

Research and Development (R&D)	
1. Specific areas in which R&D carried out by the Company	<ol style="list-style-type: none"> 1) In house development of ride including controlling / feedback software. 2) Coordination and development of new 3D films for the ride.
2. Benefits derived as a result of the above R&D	<ol style="list-style-type: none"> 1) Saving in cost /energy consumption. 2) Better aesthetic appeal. 3) Quality of the rides improved.
3. Future Plan of action	Development of new films

4. Expenditure on R&D	Nil
Technology absorption, adoption and innovations	
1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Indigenization 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.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished	No technology was imported during the year under review. Imports made during previous years has been disclosed in respective Annual Reports.
(a) Technology imported	-
(b) Year of import	-
(c) Has technology been fully absorbed?	-
(d) If not fully absorbed, areas where this has not been taken place, reasons therefore and future plans of action.	-
(e) No technology has been imported during the period under review.	-

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Outgo

Foreign Exchange outgo	Euro/Dollar	INR
USD	169,695	8,233,271
HKD	14,710	102,678
RMB	5,941	43,577
SGD	11,956	485,069
YEN	10,000	9,947
POUND	5,324	478,527
EURO	125,510	8,371,893
Total	343,176	17,724,965

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 11-12 Rs.	Qualification and Experience (Years)	Date of Commencement of Employment	Previous employment
Mr. Kochouseph Chidlapilly (61)	Vice Chairman	81.65 Lakhs	M.Sc. (Physics) 33 Years	12.12.96	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 Pvt. Limited**

**Place : Bangalore
Date : 30th June 2012**

**Sd/-
George Joseph
Chairman**

Management Discussion and Analysis report

Industry Structure & Developments

Amusement parks are recreational facilities that offer a varied range of entertainment options ranging from theme parks to spine chilling roller coaster, 4D theatre to giant wheel, in a cluster format. These parks provide leisure and entertainment solutions for the entire family at one place. The key demand drivers for the segments are rising base of middle class, increasing disposable income, changing lifestyle, cultural shift and increasing emphasis to lead a holistic life with a balance of work and leisure.

The amusement and Theme Park Industry dates back to more than 90 years in the West. The Industry in India is about three decades old and it is relatively new compared to USA & Europe. In India, this industry found its roots during mid 1980. Since then, the industry has come a long way with more than 150 parks in the country. The rapid growth in this industry started only in the last decade and that happened possibly during the advent of globalization when economic potential of the social capital began to be perceived.

Amusement and Theme parks are star players in the tourism industry, and play a special and important role in generating tourism demand. Theme parks and Amusement parks are the motivators for tourism trips to many destinations and core elements of the tourism product.

Opportunities & Threats

Opportunities:

A recent market survey research done by Firstcall Research (KPO division of Firstobject Technologies Ltd.) shows that amusement park industry in India is growing at a rapid pace with over 150 amusement and water parks currently in operation. Out of them only 15% can be classified as "large parks", 30% "medium size parks" and balance 55% "small size local parks". Investments to the tune of Rs 10,000 crore are likely to flow into the domestic amusement and leisure sector by 2020. In terms of employment generation, the new parks are likely to create jobs for six crore man-hours per month.

Over 150 amusement parks and water parks are in operation in India and attracting footfalls to the tune of 50 million visitors annually. It is estimated that the total capital investment made in the amusement and theme park industry in India till date, is more than INR 40 billion (excluding investment on land). The estimated annual revenue generated by this industry is approx INR 30 billion at present. This industry is expected to grow almost three times by the year 2020.

The growth in tourism Industry, rising base of middle class, increasing disposable income, changing lifestyle, cultural shift and increasing emphasis to lead a balance life with work and leisure are the growth drivers of the amusement park industry in our highly populated Country.

Threats

Like any other Industry, Amusement park industry is also facing tough competition. India has the second highest population in the world with more than 50% below the age of 25 and more than 65% below the age of 35. This demographic strength offers excellent opportunity for more parks in India. This industry also faces tough competition from malls and multiplexes.

Due to poor connectivity, the service area of regional parks are relatively low compared to developed countries.

Business Outlook

The leisure entertainment and amusement business is an evolving industry where the potential to learn and grow is always high. It's true that the slowdown in economy has not really affected Indian amusement industry. Amusement parks are coming up with ultra modern facilities to cater the needs of the people.

After establishing a strong foothold in Kerala and Karnataka, your Company is planning to expand its presence in other southern states with the opening up of new parks in Hyderabad and Chennai at a cost of about Rs.450 crores.

Risk Management

Amusement park industry faces a number of risks during the building and operating stages. Utmost care is taken throughout both project formulation and implementation stage. Decisions regarding the nature of rides and the selection of suppliers are taken after threadbare analysis of all relevant facts.

The main concern of this industry is providing a healthy and safe environment to the visitors. This is possible only by strict compliance of the operating procedures to avoid failures. Training is an essential tool to reduce the risk. Wonderla appoints right people for the right job. The staffs are trained to do their task effectively. The company treats the customers as guests and takes good care of their safety.

The company seeks to enhance its value through adequately mapping the risk profiles and by incorporating a robust risk mitigation mechanism for its business.

Internal Control System & Adequacy

The Company is having a strong internal control system to achieve highest operational control. The Internal Audit covers all the operational areas and ensures that there are no revenue leakages or resource wastages. It also ensures that the Company's policies are implemented consistently and regularly. At regular intervals all observations and potential areas for improvements are reviewed with the concerned operating personal to address the gaps, if any.



The Audit Committee reviews the major findings of the Internal Audit observation and gives necessary direction to the company on areas of concern, if any.

Financial Performance with respect to Operational Performance

The operating profit of the Company has recorded growth of 19% during the year. The Guest relation department of the Company organized various seasonal programs including fun games, traditional music band, dance floor, magic shows by Magician etc.. during festive occasions like Valentine's Day, Christmas, Ramzan-Onam, Dasera etc.. Food festivals with traditional and continental flavors were also made available to the guests during these occasions. The Company had added two more attractions. "Equinox", a land ride with high thrill ride experience and a new 90 seater XD Max theater which gives a unique mix of visual and physical experience. The Company has replaced submersible pumps with energy efficient surface pumps. The company has provided Inverters for the Emergency Lighting Circuit to reduce the use of DG set. Company installed Autoclose taps in all washbasins, toilets and other areas of the park which has resulted in reduced water consumption.

Human Resource

The Company maintains cordial working atmosphere, which has been nurtured over the years through trust and transparency. The company practices vibrant Human Resource policies, procedures and practices. The healthy relationship with employees enables your Company to follow flexible working systems to run the units smoothly and efficiently.

During the year, the Company has imparted specialized training to its senior officers and managers at the premier B-school, Indian Institute of Management, Bangalore(IIMB). The IIMB training underwent by the managers was based on the concept of Training of Trainers (TOT), where managers in turn trained the junior staff in the company. This created a multiplier effect for the overall effectiveness and efficiency.

Company started yet another Development Training Program under which managers are sent to amusement parks in other countries such as Hong Kong, Malaysia and China in order to familiarise them with the working of the best parks worldwide. Totally 8 managers were sent so far.

The total number of employees in Company pay roll on 31st March 2012 was 645.

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 Private Limited**

**Place : Bangalore
Date : 30th June 2012**

**Sd/-
George Joseph
Chairman**

REPORT ON CORPORATE GOVERNANCE

Governance Philosophy

Your Company believes that sound ethical practices, transparency in operations and adoption of best governance practices go a long way in enhancing long term shareholder value and safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance practices in all its operations. The Company is led by a distinguished Board, which includes Professional directors. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of directors of the Company is well informed and well equipped to fulfill its oversight responsibilities and to provide the management the strategic direction it needs to create long term shareholder value.

BOARD OF DIRECTORS

a) Composition

The current strength of the Board of Directors of the Company is five. Three out of five Directors are Whole Time Directors; Two of the Directors including Chairman are Professional Directors. None of the Directors on the Board is a member of more than 10 Committees or a Chairman of more than 5 Committees, across all the companies in which he is a Director. 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 31.03.2012 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	Executive Director	Nil	Nil
Mr. M.P. Ramachandran	Professional 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 Directorship /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 Wonderla under the direction of 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 2011-12 on the following dates: 27.06.2011, 12.09.2011, 24.11.2011, 13.02.2012 and 28.03.2012

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.PriyaSarah Cheeran Joseph	5	3	Yes
Mr. M.P. Ramachandran *	5	1	No
Mr. R S Raghavan **	5	1	No

Note:

* Mr. M. P. Ramchandran joined the Board on 24th November of 2011.

** Mr. R S Raghavan resigned from the Board with effect from 16th August 2011.

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 submitted a declaration relating to compliance of code of conduct by the Board members and senior management.

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. Kochouseph Chittilappilly, Mr. Arun K Chittilappilly, Ms. Priya Sarah Cheeran Joseph 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 and Mr. Santosh Kumar Barik, Company Secretary acts as the Secretary of the Committee.

During the year, the Audit Committee met 4 times on 27.06.2011, 12.09.2011, 24.11.2011 and 13.02.2012 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	3
Mr. Kochouseph Chittilappilly	4	4
Mr. Arun K Chittilappilly	4	4
Ms. Priya Sarah Cheeran Joseph	4	3
Mr. M.P. Ramachandran *	4	NIL
Mr. R.S. Raghavan**	4	1

Note:

- * Mr. M. P. Ramchandran joined the Board on 24th November of 2011.
- ** Mr. R S Raghavan resigned from the Board with effect from 16th August of 2011.

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 2012

Name of the Director	No. of Shares (Rs10 Paid up)
Mr. George Joseph	Nil
Mr. Kochouseph Chittilappilly	1,84,49,900
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
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
2008-09	28.12.2009	11:00 AM	648/B, Binnamangala I Phase, Indiranagar I stage, Bangalore -38



SPECIAL RESOLUTIONS PASSED DURING THE LAST THREE YEARS:

During last three years one special resolution was passed for 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 KM Mysore Road, Bangalore-562109, with effect from 1st April, 2010.

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

Sd/-

**George Joseph
Chairman**

**Place : Bangalore
Date : 30th June 2012**

AUDITORS' REPORT

The Members
Wonderla Holidays Private Limited
Bangalore

1. We have audited the attached Balance Sheet of WONDERLA HOLIDAYS PRIVATE LIMITED as at 31st March 2012, the Profit and Loss Statement and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such examination of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.



- (v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31st March 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes on accounts attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012;
 - in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
 - in the case of Cash Flow Statement, of the Cash Flow of the company for the year ended on that date.

Per VARMA & VARMA
Chartered Accountants
FRN 0045328

Sd/-
CHERIAN K BABY
Partner
M.No.16043

Place : Bangalore
Date : 30th June 2012

**ANNEXTURE REFERRED TO IN PARAGRAPH I OF OUR AUDIT
REPORT OF EVEN DATE TO THE MEMBERS OF
WONDERLA HOLIDAYS PRIVATE LIMITED ON THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31st MARCH 2012**

1.
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets of the company have been physically verified by the management during the year which, in our opinion is reasonable having regard to the size of the company and the nature of assets. As explained, no material discrepancies have been noticed on such verification as confirmed by the management.
 - (c) Substantial portion of the fixed assets were not disposed off during the year.
2.
 - (a) We are informed that the inventories were physically verified by the management at the year end, the frequency of which, in our opinion is reasonable having regard to the size of the company and the nature of its business.
 - (b) In our opinion and according to the explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to its size and the nature of business.
 - (c) The company has maintained proper records of inventory and as informed to us, no discrepancies of material nature were noticed on physical verification by the management.
3. In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956, according to the information and explanations given to us
 - (a) During the year, the company has not taken any unsecured loans from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) The company has not granted any loan to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services by the company. Further, on the basis of our examination of the books and information and as per the explanations given to us, we have neither noted nor have we been informed of any instance of continuing failure to correct major weaknesses in the aforesaid internal control system.
5.
 - (a) According to the information and explanations given to us, all contracts and arrangements that need to be entered in a register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion, the aforesaid transactions have been made at cost/ negotiated prices and they either compare favourably with market prices or there are no comparable prices.
6. The company has not accepted any deposits from the public within the meaning of Section 58A or 58AA or any other relevant provisions of the Act.
7. The paid up capital of the company is more than Rs.50 lakhs at the commencement of the financial year and its average annual turnover is more than Rs. 5 crores and the company has an internal audit system commensurate with its size and nature of its business.
8. As explained to us, the Central Government has not prescribed maintenance of cost records under section 209(1) of the companies Act 1956 for this industry.

- 9.
- (a) According to the information and explanations given to us and as per our verification of the records of the company, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, to the extent applicable with the appropriate authorities during the year. There are no arrears of undisputed statutory dues of a material nature outstanding for a period exceeding six months from the date on which they become payable.
- (b) According to the information and explanations given to us and as per our verification of the records of the company, there are no liquid dues of Sales Tax, Income Tax, Wealth Tax, Customs duty, Service Tax and cess which are the subject matter of any dispute except as stated below

Nature of Dues	Period to which it related	Amount	Forum where pending
Service Tax	2007-08 to 2010-11	1,45,34,430	Commissioner of Central Excise (Appeals)
Interest on Water Cess	2000-2001 to 2009-2010	157,309	Office of the Bxc. Engineer, Irrigation Division, Fuzakulam.

10. The company is registered for a period of more than five years and does not have any accumulated losses as at the end of the year. The company has not incurred cash losses in the current year and in the immediately preceding financial year.
11. According to the information and explanations given by the management, and as per our verification of the records, the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
15. According to the information and explanations given to us, and as per our verification of the related records of the company, the company has not given any guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they are obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act.
19. The Company has not issued any debentures.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us and as per our verification of the records of the company, no fraud either on or by the company has been noticed or reported during the year.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

Sd/-
CHERIAN K BABY
Partner
M. No. 16013

Place : Bangalore
Date : 30th June 2012



WONDERLA HOLIDAYS PRIVATE LIMITED

Balance Sheet as at 31st March

		<i>(All amounts in Indian Rupees)</i>	
Particulars	Note No.	2012	2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	1	420,000,000	420,000,000
Reserves and Surplus	2	177,512,052	205,591,131
NON-CURRENT LIABILITIES			
Long Term Borrowings	3	160,583,914	80,655,525
Deferred Tax Liabilities (Net)	4	35,711,000	37,215,000
Long Term Provisions	5	4,558,535	3,597,245
CURRENT LIABILITIES			
Short Term Borrowings	6	5,379,848	9,567,573
Trade Payables	7	29,228,936	20,677,502
Other Current Liabilities	8	127,521,432	111,983,030
Short Term Provisions	9	95,958,837	84,782,323
TOTAL		1,396,697,514	1,064,448,329
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	10	1,203,498,480	929,564,407
Intangible Assets	10	6,662,447	7,209,552
Capital Work in Progress	11	43,690,689	76,785,533
Long term loans and advances	12	82,783,517	27,141,186
Other non current assets	13	1,036,375	1,008,375
CURRENT ASSETS			
Inventories	14	18,145,903	14,463,595
Trade receivables	15	2,056,109	2,600,331
Cash and Cash Equivalents	16	24,841,530	3,158,563
Short-term loans and advances	17	13,527,983	9,129,724
Other Current Assets	18	428,201	395,251
TOTAL		1,396,697,514	1,064,448,329

Significant Accounting Policies & Other Notes to Accounts

29

As per our report of even date attached

For VARMA & VARMA
Chartered Accountants
FNN 3045325

Sd/-

Arun K Chittilappilly
Managing Director

Sd/-

George Joseph
Chairman

Sd/-

Santosh Kumar Darik
Company Secretary

Sd/-

CHERIAN K BABY
Partner
M No. 16243

Place : Bangalore
Date : 30th June 2012

Place : Bangalore
Date : 30th June 2012

WONDERLA HOLIDAYS PRIVATE LIMITED

Profit & Loss Statement for the year ended 31st March

(As audited in Indian Rupees)

Particulars	Note No.	2012	2011
REVENUE FROM OPERATIONS			
Service Income	19	1,042,725,383	824,494,031
Sale of Products	20	64,671,593	71,945,820
		1,127,338,376	896,439,951
Other Income	21	16,353,452	15,071,821
TOTAL		1,144,191,828	911,511,572
EXPENSES			
Direct Operating Expenses	22	169,598,832	123,867,357
Purchase of Stock in Trade	23	48,485,465	40,335,116
Change in Inventory of Stock in Trade	24	(1,012,581)	1,082,301
Employee Benefits Expenses	25	208,315,980	138,057,075
Finance Cost	26	11,328,301	30,984,852
Depreciation and Amortization Expense	10	115,572,305	118,264,880
Other Expenses	27	153,245,892	131,401,367
TOTAL		705,513,702	592,305,958
Profit before extraordinary items and tax		438,678,126	319,205,614
Extra Ordinary Items	28	-	107,598,432
Profit before tax		438,678,126	427,202,046
TAX EXPENSES			
Current Tax		145,180,000	123,719,080
Deferred Tax		(1,474,000)	4,551,000
Provision for Taxation of earlier years		-	21,254
Profit for the year		294,972,126	288,507,732
Weighted Average no. of shares of Rs. 10/- each		42,000,000	42,000,000
Earnings per share - Basic and Diluted after extraordinary items		7.02	7.11
Earnings per share - Basic and Diluted before extraordinary items		7.02	5.10

Significant Accounting Policies & Other Notes to Accounts

29

As per our report on even date attached

For VARMA & VARMA
Chartered Accountants
FRN 004532S

Sd/-
Arun K Chittilappilly
Managing Director

Sd/-
George Joseph
Chairman

Sd/-
Santosh Kumar Barik
Company Secretary

Sd/-
CHERIAN K BADY
Partner
M No. 16043

Place : Bangalore
Date : 30th June 2012

Place : Bangalore
Date : 30th June 2012



WONDERLA HOLIDAYS PRIVATE LIMITED

Cash Flow Statement for the year ended 31st March

	(All amounts in Indian Rupees)	
	2012	2011
A CASH FLOW FROM OPERATIONS		
Profit before tax	438,678,126	427,202,046
Finance Charges Paid	11,329,301	38,994,852
Depreciation and Amortisation Expense	115,572,605	118,264,890
Interest Income	(418,527)	(465,386)
(Profit)/Loss on Sale of Fixed Assets	(2,881,853)	(107,996,432)
Loss on sale of current investments in mutual funds (net)	-	729
Dividend Income from Mutual Funds	(3,837,560)	(6,108,710)
Cash Flow before changes in working capital	558,542,092	469,891,989
Adjustment for changes in Working Capital		
(Increase)/Decrease in Inventories	(3,885,905)	(1,092,990)
(Increase)/Decrease in Trade Receivables	544,222	(594,283)
(Increase)/Decrease in Loans and advances	(61,066,051)	5,518,717
Increase/(Decrease) in Current Liabilities	56,679,155	(29,886,411)
Cash generated from operations	550,913,503	444,037,013
Income Tax Paid	(137,027,216)	(116,858,911)
Net Cash Flow from Operating Activities	413,886,287	327,378,102
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(363,008,628)	(130,247,236)
Sale of Fixed Assets	4,048,802	180,540,597
Dividend received on Investment in Mutual Funds	3,837,500	6,108,710
Loss on sale of Investment in mutual fund	-	(729)
Interest Income	(418,527)	(465,386)
Net Cash Flow from/(used in) Investing Activities	(354,903,739)	56,867,128

WONDERLA HOLIDAYS PRIVATE LIMITED

Cash Flow Statement for the year ended 31st March

	<i>(All amounts in Indian Rupees)</i>	
	2012	2011
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Term & Vehicle loans from Banks	51,647,020	(106,628,531)
Increase/(Decrease) in Cash Credit & Working Capital Loans	(4,607,725)	8,736,713
Increase/(Decrease) in Unsecured Loans	-	(204,325,341)
Dividend Paid including Dividend Tax	(73,220,175)	(48,975,075)
Finance Charges Paid	(11,329,301)	(38,994,052)
Net Cash Flow used in Financing Activities	(37,310,181)	(392,187,686)
Net Cash Flow during the year	21,672,367	(7,942,455)
Cash and Cash equivalents at the beginning of the year	3,168,963	11,111,418
Cash and Bank equivalents at the end of the year	24,841,330	3,168,963

As per our report of even date attached

For VARMA & VARMA
Chartered Accountants
FRN 004532S

Sd/-
Arun K Chittlappilly
Managing Director

Sd/-
George Joseph
Chairman

Sd/-
Santosh Kumar Barik
Company Secretary

Sd/-
CHERIAN K BABY
Partner
M No. 16043

Place : Bangalore
Date : 30th June 2012

Place : Bangalore
Date : 30th June 2012

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

	(IN Lakhs and in Indian Rupees)	
	2012	2011
NOTE 1 - SHARE CAPITAL		
Authorised Share Capital		
4,50,00,000 Equity Shares of Rs. 10/- each	450,000,000	450,000,000
Issued, Subscribed and Fully Paid-up		
4,20,00,000 Equity Shares of Rs. 10/- each	420,000,000	420,000,000
TOTAL	420,000,000	420,000,000

Note 1.1 - Shareholder holding more than 5% shares

Name of the Share Holder	2012		2011	
	No. of Shares	Percentage	No. of Shares	Percentage
Mr. Kochouseph Chittilappilly	18,449,900	43.93%	18,449,900	43.93%
Mrs Sheila Kochouseph Chittilappilly	7,869,400	18.74%	7,869,400	18.74%
Mr. Arun K. Chittilappilly	7,910,200	18.83%	7,910,200	18.83%
Mr. Michun K. Chittilappilly	6,270,000	14.89%	6,270,000	14.89%

Note 1.2 - For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Name of the Share Holder	2012		2011	
	No. of Shares	Amount	No. of Shares	Amount
Aggregate number of Equity shares allotted during the year 2009-10 as fully paid shares without payment being received in cash pursuant to the amalgamation of Veegal Holidays and Parks Private Limited with the company.	18,000,000	180,000,000	18,000,000	180,000,000

Note 1.3 - Reconciliation of the number of Equity shares outstanding

Particulars	2012	2011
Equity Shares outstanding as at the beginning of the year	42,000,000	42,000,000
Shares issued during the year	-	-
Equity Shares outstanding as at the end of the year	42,000,000	42,000,000

Note 1.4 - Notes on Share Capital

The company has only one class of shares referred to as equity shares having a par value of Rs.10/- Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

	(All amounts in Indian Rupees)	
	2012	2011
NOTE 2 - RESERVES AND SURPLUS		
General Reserve		
Balance as per last Balance Sheet	31,739,000	8,350,000
Add: Amount Transferred from Profit and Loss	22,123,000	22,389,000
Closing Balance (a)	53,862,000	31,739,000
Securities Premium Account		
Balance as per last Balance Sheet (b)	30,000,000	30,000,000
Surplus		
Opening Surplus	233,921,131	30,922,524
Add: Profit for the year as per Profit and Loss Statement	294,972,126	239,507,782
Less: Appropriations		
Transfer to General Reserve	22,123,000	22,389,000
Proposed Final Dividend @ Rs. * 50 per share	63,000,000	63,000,000
Dividend Distribution Tax on Proposed Final Dividend	10,220,175	10,220,175
Closing Surplus (c)	433,450,082	233,821,131
TOTAL (a+b+c)	517,312,082	295,560,131
NOTE 3 - LONG TERM BORROWINGS		
Secured		
Term Loan from Banks (refer Note 3.1)	158,033,792	80,655,826
Vehicle Loan from Banks (refer Note 3.2)	2,953,142	-
TOTAL	160,986,934	80,655,826

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

(All amounts in Indian Rupees)

2012 2011

Note 3.1 - Term Loan from Banks

Note 3.1.1 - Term Loan from State Bank of Travancore (SBT)

Note 3.1.1.1 - Term Loan for Resort Project. Principal outstanding as on 31.03.12 Rs. 15,01,00,000/- (P.Y. Rs. 1,00,00,000/-) and Interest accrued and due as on 31.03.12 Rs. 15,35,180/- (P.Y. Rs. 48,219/-).

a) **Security** - Secured by way of Hypothecation of all the movable fixed assets of the resort and first part passal charge along with other term lenders over the entire fixed assets of the Bangalore unit of the company, both movable and immovable, present and future, including equitable mortgage on landed properties of 82.50 acres. This is further guaranteed by personal guarantee of Mr. Kochouseph Chittilappilly and Mr. Arun K Chittilappilly, directors of the company.

b) **Repayment** - The loan is repayable in 27 quarterly installments of Rs. 53,60,000/- and final instalment of Rs. 55,50,000/- commencing from 30th September 2012 and ending during June 2019.

c) **Rate of Interest** - Floating rate of 2.00% above SBT Base Rate payable monthly.

Note 3.1.1.2 - Term Loan for Bangalore Unit. Principal outstanding as on 31.03.12 Rs. 2,73,18,983/- (P.Y. Rs. 5,33,56,354/-) and Interest accrued and due on 31.03.12 Rs. 2,89,896/- (P.Y. Rs. 2,64,126/-).

a) **Security** - Secured by way of first pari passu charge along with other term lenders over the entire fixed assets of the company, both movable and immovable, present and future, including equitable mortgage of the landed properties of 82.50 acres. This is further guaranteed by personal guarantee of Mr. Kochouseph Chittilappilly, Mr. Arun K Chittilappilly, directors, Mrs. Sheila Kochouseph and Mr. Mithun K Chittilappilly, share holders and relative of directors of the company.

b) **Repayment** - The balance loan is repayable in 3 quarterly installments of Rs. 72,00,000/- and Final Installment of Rs. 57,16,983/- (4 quarterly installment of Rs. 65,00,000/- each and 3 quarterly installment of Rs. 72,00,000/- each and final installment of Rs. 57,56,354/-).

c) **Rate of Interest** - Floating rate of 2.00% above SBT Base Rate payable monthly.

Note 3.1.2 - Term Loan from Karur Vysya Bank

Note 3.1.2.1 - Term Loan for Bangalore Unit. Principal outstanding as on 31.03.12 Rs. Nil (P.Y. Rs. 1,19,95,121/-) and Interest accrued and due on 31.03.12 Rs. Nil (P.Y. Rs. 1,24,098/-).

a) **Security** - Secured by way of first pari passu charge along with other term lenders over the entire fixed assets of the company, both movable and immovable, present and future, including equitable mortgage of the landed properties of 82.50 acres. This is further guaranteed by personal guarantee of Mr. Kochouseph Chittilappilly, director and Mrs. Sheila Kochouseph, shareholder and relative of directors of the company. This loan was fully repaid during the year and the necessary satisfaction of charges has been filed with the Registrar of Companies.

Note 3.1.3 - Term Loan from State Bank of India

Note 3.1.3.1 - Term Loan for Bangalore Unit. Principal outstanding as on 31.03.12 Rs. Nil (P.Y. Rs. 4,14,69,730/-) and Interest accrued and due on 31.03.12 Rs. Nil (P.Y. Rs. 4,68,653/-).

a) **Security** - The term loan for Bangalore unit is secured by way of first pari passu charge with other term lenders over the entire fixed assets of the Company both movable and immovable, present and future, including equitable mortgage of landed property of 82.50 acres. This loan is further secured by Personal guarantee of Mr. Kochouseph Chittilappilly, Director and Mrs. Sheila Kochouseph, shareholder and relative of directors of the company. This loan was fully repaid during the year and the necessary satisfaction of charges has been filed with the Registrar of Companies.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

	(All amounts in Indian Rupees)	
	2012	2011

Note 3.1.3.2 - Term Loan for Kochi Unit. Principal outstanding as on 31.03.12 Rs. 3,72,83,792/- (P.Y. Rs. 5,04,53,367/-) and Interest accrued and due on 31.03.12 Rs. 4,19,573/- (P.Y. Rs. 5,12,888/-).

a) **Security** - The term loan for Kochi unit is secured by way of primary charge over 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 guarantee of Mr. Kochouseph Chittlapilly, Director and Mrs. Sharda Kochouseph, shareholder and relative of directors of the company.

b) **Repayment** - The balance loan is repayable in 11 quarterly installments of Rs. 33,00,000/- and Final Installment of Rs. 9,83,792/- (15 quarterly installment of Rs. 33,00,000/- each and final installment of Rs. 9,83,792/-).

c) **Rate of Interest** - Floating rate of 2% below State Bank Advance Rate (SBAAR) with minimum of 11.25% p.a. payable monthly.

Note 3.2 - Vehicle Loan

Note 3.2.1 - Loan from Axis Bank Ltd. Principal outstanding as on 31.03.12 Rs. 46,91,581/- (P.Y. Rs. Nil)

a) **Security** - This Loan is secured by hypothecation of vehicles purchased using the loan.

b) **Repayment** - The balance loan is repayable in 30 equated monthly installments of Rs. 1,77,490/- including interest.

c) **Rate of Interest** - Interest at 10.01% p.a. payable monthly.

Note 3.2.2 - Loan from ICICI Bank Ltd. Principal outstanding as on 31.03.12 Rs. Nil (P.Y. Rs. 9,68,915/-).

a) **Security** - This Loan is secured by hypothecation of vehicles purchased using the loan.

b) **Repayment** - The loan was fully repaid during the year.

c) **Rate of Interest** - Interest at 10.01% p.a. payable monthly.

NOTE 4 - DEFERRED TAX LIABILITY

Note 4.1 - The company has evaluated the deferred tax asset / liabilities arising from timing differences, the net being a liability arising mainly from depreciation. The break-up of deferred tax asset/liability is given below:-

Deferred Tax Liability - on account of depreciation	40,184,000	41,510,000
Deferred Tax Asset - on account of expenses	4,453,000	4,395,000
NET LIABILITY	35,741,000	37,215,000

NOTE 5 - LONG TERM PROVISIONS

Provision for Employee Benefits - Leave Encashment	4,568,385	3,567,245
TOTAL	4,568,385	3,567,245



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

(All amounts in Indian Rupees)

2012 2011

NOTE 6 - SHORT TERM BORROWINGS

Loans from banks repayable on demand

Secured

Cash Credit from Axis Bank Limited (refer Note 5.1)

5,379,848

Working Capital Loan from State Bank of India (refer Note 5.2 to 6.3)

-

9,987,573

TOTAL

5,379,848

9,987,573

Note 6.1 - The working capital loan from Axis Bank Rs. 53,79,848/- (P.Y. Rs. Nil) is secured by a 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 and building located at Bangalore Unit measuring 82.50 acres on pari passu basis with State Bank of Travancore.

Note 6.2 - The working Capital Loan from State Bank of India Rs. Nil (P.Y. Rs. 78,66,505/-) for Kochi Unit is secured by hypothecation of stocks, Book debts and other current assets of the unit and second charge on all properties and Assets of the unit. This loan was fully repaid during the year and the necessary satisfaction of charges has been filed with the Registrar of Companies.

Note 6.3 - Working capital loan from State Bank of India Rs. Nil (P.Y. Rs. 21,01,055/-) for Bangalore Unit is primarily secured by the hypothecation of current assets of the unit and further secured by second charge on the fixed assets of the unit on a pari passu basis with other term lenders and personal guarantees of Mr. Kochouseph Chililappilly and Mr. Arun K. Chililappilly, directors of the company and Mrs. Sheela Kochouseph and Mr. Milhun K. Chililappilly, shareholders and relatives of directors of the company. This loan was fully repaid during the year and the necessary satisfaction of charges has been filed with the Registrar of Companies.

NOTE 7 - TRADE PAYABLES

Trade Payables (Refer Note 29.11.5)

29,228,936

20,677,302

TOTAL

29,228,936

20,677,302

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

(All amounts in Rupees Lakhs)

	2012	2011
NOTE 8 - OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Loans (refer Note 3.1)	56,568,983	06,848,716
Current Maturities of Vehicle Loans (refer Note 3.2)	1,738,440	958,816
Interest Accrued and due on term loan (refer Note 3.1 to 3.2)	2,244,826	1,109,525
Entry Fee/Income received in advance	4,533,393	3,274,699
Other Payables		
a) Creditors for Capital Purchase	34,716,130	4,222,034
b) Due to Employees	23,109,953	9,733,327
c) Statutory Dues Payable	4,514,598	2,785,324
d) Security Deposits	3,035,000	2,951,500
TOTAL	127,521,432	111,993,030

NOTE 9 - SHORT TERM PROVISIONS

Provision for employee benefits		
- Leave Encashment	913,650	592,183
- Gratuity	-	1,698,055
Other Provisions		
a) Proposed Final Dividend Payable	63,000,000	63,000,000
b) Dividend Distribution Tax on Proposed Final Dividend	10,220,175	10,220,175
c) Provision for Income Tax	10,731,523	8,578,739
d) Provision for Service Tax (refer note no. 9.1)	4,572,139	-
e) Provision for Entertainment Tax	437,100	437,100
f) Provision for Wealth Tax	84,250	65,940
TOTAL	95,958,897	84,782,222

Note No. 9.1 - During the year, the Additional Commissioner of Central Excise & Customs have raised demands aggregating to Rs. 145,04,430/- 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 45,72,139/- in the accounts as a matter of abundant caution and the differential demand is shown as contingent liability.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

NOTE 10 - FIXED ASSETS

Description	Gross Block at Cost			Depreciation Block			Net Block (ADV)
	As at 01.04.2011	Additions during the year	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year 01.04.2011 to 31.03.2012	As at 31.03.2012
TANGIBLE ASSETS							
Land	190,095,652	-	-	20,134,113	-	-	20,134,113
	(216,304,235)	-	-	(150,585,622)	-	-	(150,585,622)
Buildings	335,168,801	2,03,402,671	90,550	545,544,922	87,715,330	11,210,582	59,591,312
	(331,417,945)	(35,746,297)	(1,963,923)	(335,100,913)	(78,465,657)	(7,963,357)	(37,770,314)
Plant & Equipment	2,131,113	-	-	2,131,113	2,105,317	-	2,125,317
	(2,131,113)	-	-	(2,131,113)	(11,254,302)	(17,712)	(102,258)
Plant & Equipment	554,100,379	30,104,755	215,440	1,772,202,116	571,252,780	53,588,821	415,942,215
	(349,204,214)	(44,598,735)	(253,200)	(394,003,159)	(482,513,088)	(24,300,204)	(422,437,591)
Electric Equipment	105,688,732	5,141,950	235,336	110,865,608	17,273,380	1,767,607	53,297,213
	(105,173,344)	(1,332,872)	(7,457)	(106,503,732)	(40,251,347)	(7,007,930)	(57,276,045)
Office Equipment	17,111,738	5,071,578	520,639	22,153,954	12,805,359	675,325	14,274,913
	(16,250,588)	(7,965,377)	(357,012)	(24,173,033)	(11,517,525)	(7,135,791)	(32,809,344)
Restaurant Equipments	17,542,211	7,432,561	180,015	25,154,787	5,532,215	82,173	12,535,383
	(11,007,321)	(155,715)	(5,730)	(11,163,341)	(5,120,101)	(887,223)	(16,935,344)
Vehicles	24,506,875	11,570,534	2,77,487	36,354,896	3,553,537	2,610,272	11,007,438
	(21,579,755)	(4,596,875)	(7,507,710)	(23,673,340)	(3,134,301)	(2,281,454)	(25,295,473)
Furniture & Fittings	27,359,271	25,139,681	1,050	52,498,952	10,427,752	3,750,791	14,679,235
	(15,321,752)	(179,642)	(42,15)	(15,501,409)	(8,107,530)	(1,348,130)	(16,957,669)
Total (A)	1,680,943,409 (11,579,443,101)	394,931,133 (68,101,224)	3,265,378 (75,523,328)	2,067,512,714 (11,683,885,459)	745,479,023 (632,343,681)	113,247,141 (116,672,102)	1,203,416,460 (123,594,457)

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

NOTE 10 - FIXED ASSETS

Description	Gross Block at Cost			Depreciation Block			Net Block (NDV)
	As at 01.04.2011	Additions during the year	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year 2011-12	Up to 31.03.2012
TANGIBLE ASSETS							
Land	112,355,822	32,519,081	-	271,194,771	-	-	271,194,771
	(121,613,280)	(3,475,740)	(71,473,402)	(137,555,822)	-	-	(137,555,822)
Buildings	338,145,501	216,432,221	78,500	573,644,102	27,778,372	11,810,225	100,255,370
	(231,497,616)	(18,742,222)	(7,463,467)	(158,103,304)	(76,459,587)	(13,272,855)	(157,775,378)
Plant & Machinery	713,813	-	-	213,813	2,025,317	-	2,025,317
	(24,131,912)	-	-	(17,31,912)	(1,591,325)	(71,012)	(1,763,371)
Plant & Equipment	964,370,358	78,104,755	216,882	1,072,251,166	671,532,763	33,882,534	100,255,596
	(549,014,721)	(44,588,135)	(250,000)	(593,852,856)	(422,313,183)	(30,187,274)	(57,852,760)
Electrical Equipments	139,188,732	5,140,553	275,786	144,505,071	47,273,400	7,387,827	74,387,215
	(118,429,844)	(11,382,872)	(7,457)	(129,819,113)	(40,251,347)	(1,207,932)	(14,795,035)
Other Equipments	17,111,735	3,271,513	308,559	20,691,807	12,803,829	1,653,325	1,274,912
	(76,250,682)	(7,555,771)	(137,037)	(83,933,490)	(11,517,425)	(2,136,794)	(7,285,862)
Motor and Equipments	1,142,544	7,432,331	159,002	8,634,877	2,532,213	581,115	4,043,389
	(17,007,321)	(755,715)	(677,592)	(17,439,603)	3,226,104	(583,225)	(13,213,519)
Vehicles	28,653,818	11,240,504	2,177,451	42,071,773	9,675,572	1,110,587	11,906,415
	(21,279,765)	(1,336,111)	(1,152,715)	(23,768,591)	10,104,029	2,251,454	23,259,433
Furniture & Fittings	27,359,271	214,18,583	1,000	48,558,854	16,407,742	5,637,706	12,388,760
	(7,321,368)	(4,15,420)	(32,121)	(11,508,909)	3,436,627	(7,568,730)	(3,695,477)
Total (A)	1,680,083,450	394,503,835	3,285,378	2,077,872,663	745,478,022	115,847,611	807,103,234
	(11,879,443,551)	(55,163,224)	(78,633,326)	(12,517,050,101)	(632,945,661)	(171,612,102)	(745,479,027)
							(93,365,867)



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

NOTE 10 - FIXED ASSETS

Description	Gross Block at Cost			Depreciation Block			Net Block (NDV)	
	As at 01.04.2011	Additions during the year	Deletions	As at 31.03.2012	For the Year	Deletions	Up to 31.03.2012	As at 31.03.2012
INTANGIBLE ASSETS								
Technical Know-how	14,014,329 (14,014,329)	-	-	14,014,329 (14,014,329)	1,335,120 (1,335,120)	-	8,750,001 (7,450,045)	5,234,624 (16,530,624)
Pat Rights	7,451,031 (7,447,622)	376,000 (413,771)	-	1,328,651 (11,481,651)	273,270 (2,127,911)	-	1,360,359 (11,109,759)	451,252 (15,752,520)
Computer Software	532,640 (520,955)	529,859 (4,355)	-	1,486,911 (562,842)	175,418 (905,759)	-	327,170 (1,034,556)	944,651 (267,376)
Total (B)	16,178,662 (16,173,205)	1,197,219 (455,357)	-	17,279,721 (16,173,205)	1,724,304 (3,952,789)	-	10,034,274 (8,463,310)	6,682,467 (7,201,620)
TOTAL (A+B)	1,685,162,321 (1,685,166,785)	316,104,462 (16,613,361)	1,265,375 (76,523,328)	2,077,493,415 (3,985,162,321)	115,672,805 (119,264,590)	2,216,429 (4,075,762)	467,803,506 (754,448,352)	1,210,140,527 (530,713,589)

Notes:

1. Previous year figures are shown in brackets.
2. Current year depreciation includes Rs 81,815,000 (Rs 107,169,000) being a prior depreciation provided for earlier years due to change in classification.



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

	(All amounts in Indian Rupees)	
	2012	2011
NOTE 11 - CAPITAL WORK-IN-PROGRESS		
Capital Work in Progress- Buildings	3,332,433	-
Capital Work in Progress- Plant & Equipment	39,446,172	16,530,084
Capital Work in Progress - Resort	-	59,791,110
Construction Materials	912,064	477,339
TOTAL	43,690,669	76,798,533
NOTE 12 - LONG TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	64,286,760	10,163,700
Security Deposits	8,934,103	8,874,103
Other loans and Advances	-	-
Advance Income tax and TDS (net)	9,653,051	8,108,379
Total (a)	82,783,917	27,146,185
Unsecured, Considered Doubtful		
Capital Advances	12,703,477	12,703,477
Less: Provision for doubtful advance	12,703,477	12,703,477
Total (b)	-	-
TOTAL	82,783,917	27,146,185
NOTE 13 - OTHER NON CURRENT ASSETS		
Balance with Banks in Deposit Account held under lien towards Bank Guarantee (Refer Note 13.1)	1,038,375	1,038,375
TOTAL	1,038,375	1,038,375
Note 13.1 - Balances with Banks in Deposits Accounts have a maturity period of more than 12 months.		
NOTE 14 - INVENTORIES		
(at lower of cost or net realisable value)		
Stock in Trade	5,538,008	4,625,447
Stores & Spares	-	-
in Hand	11,902,022	9,431,163
in Transit	88,771	-
Others - Fuel	621,102	507,388
TOTAL	18,149,903	14,463,998
NOTE 15 - TRADE RECEIVABLES		
Unsecured, Considered Good		
Debt Outstanding for a period exceeding six months from the due date of payment	-	-
Others	2,056,109	2,600,331
TOTAL	2,056,109	2,600,331

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming Part of Balance Sheet as at 31st March

	(All amounts in Indian Rupees)	
	2012	2011
NOTE 16 - CASH AND CASH EQUIVALENTS		
Cash on Hand	1,310,726	666,582
Balances with banks in current accounts	23,530,604	2,502,381
TOTAL	24,841,330	3,168,963
Deposit accounts held as security against Bank Guarantee furnished to KSEB are disclosed under Other Non Current assets in Note No. 13.		
NOTE 17 - SHORT-TERM LOANS AND ADVANCES		
Loans & Advances to Employees	1,501,608	1,149,779
Prepaid Expenses	8,293,538	5,981,193
Advances recoverable in cash or in kind	3,732,837	1,099,752
TOTAL	13,527,983	8,129,724
NOTE 18 - OTHER CURRENT ASSETS		
Interest Receivable	428,301	398,231
TOTAL	428,301	398,231



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of Profit & Loss Statement for the year ended 31st March

	<i>(All amounts in Indian Rupees)</i>	
	2012	2011
NOTE 19 - SERVICE INCOME		
Entry Fee Collection	990,157,530	776,204,484
Other Counter Collection	13,641,879	11,638,634
Share of Revenue from Restaurant	48,860,544	38,851,013
Income from rooms, restaurants and other services	66,380	-
TOTAL	1,042,726,383	824,494,031
NOTE 20 - SALE OF PRODUCTS		
Readymade Garments	29,595,402	20,552,277
Soft Drinks & Packed Foods	36,950,140	30,203,794
Others	18,066,352	15,129,819
TOTAL	84,611,893	71,945,920
NOTE 21 - OTHER INCOME		
Rent Received	8,385,166	6,074,158
Interest Received	418,527	466,386
Dividend from Mutual Fund	3,637,580	6,108,710
Profit on Sale of Fixed Assets (net)	2,881,853	-
Miscellaneous Income	1,450,346	2,423,537
TOTAL	16,853,452	15,071,621
NOTE 22 - OPERATING EXPENSES		
Park Maintenance	11,510,071	9,444,654
Electricity Charges	36,096,589	31,061,511
Fuel & Oil	9,573,119	6,726,150
House Keeping Expenses	16,021,016	11,952,317
Security Expenses	24,511,606	18,930,418
Lab & Music Expenses	196,006	120,278
R&M - Buildings and Structures	20,584,955	17,358,266
R&M - Plant and Machinery	47,624,164	28,272,741
Operating Supplies	4,376,526	-
TOTAL	169,596,932	123,887,357

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of Profit & Loss Statement for the year ended 31st March

//A amounts in Indian Rupees

	2012	2011
NOTE 23 - PURCHASE OF STOCK IN TRADE		
Readymade Garments	15,161,781	12,336,068
Soft Drinks & Packed Foods	23,425,339	19,444,607
Others	9,739,815	8,737,829
	48,329,935	40,518,524
Add: Freight & Carriage inwards	135,528	116,591
TOTAL	48,465,463	40,635,115
NOTE 24 - CHANGE IN INVENTORY OF STOCK IN TRADE		
Opening Stock		
Readymade Garments	2,039,893	3,448,500
Soft Drinks & Packed Foods	1,011,081	824,117
Others	1,473,573	1,335,131
Total (a)	4,525,447	5,607,748
Closing Stock		
Readymade Garments	2,495,015	2,039,893
Soft Drinks & Packed Foods	1,222,955	1,011,981
Others	1,820,007	1,473,573
Total (b)	5,538,008	4,525,447
TOTAL (a-b)	(1,012,561)	1,082,301

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of Profit & Loss Statement for the year ended 31st March

	(All amounts in Indian Rupees)	
	2012	2011
NOTE 25 - EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus & Allowances	169,052,876	113,960,353
Managerial Remuneration	17,541,682	7,413,919
Contribution to Provident and other funds	2,544,703	7,315,396
Staff welfare Expenses	12,876,719	9,358,408
TOTAL	208,315,980	138,057,076
NOTE 26 - FINANCE COST		
Interest Expenses	11,109,301	37,313,291
Interest on account of shortfall of income tax	220,000	1,681,561
TOTAL	11,329,301	38,994,852
NOTE 27 - OTHER EXPENSES		
Advertisement & Sales Promotion	115,090,402	104,155,115
Administrative Expenses	1,119,774	397,465
Rates, Taxes and License Fee	14,497,788	8,042,280
Insurance	1,048,883	921,450
Postage & Telephone	1,216,662	1,118,785
Printing & Stationery	3,737,330	2,663,735
Professional Fees (Refer Note.28.II.11)	4,342,656	3,220,005
Travelling Expenses	3,795,166	3,292,681
Vehicle maintenance	6,122,719	5,119,824
Finance Charges	1,690,814	1,535,806
Miscellaneous Expenses	537,941	913,228
Balances Written Off	1,866	13,824
Foreign Exchange (Gain)/Loss	(5,748)	440
Loss on sale of current investments in mutual fund	-	729
TOTAL	153,245,982	131,404,367
NOTE 28 - EXTRA-ORDINARY INCOME		
Profit on Sale of Land	-	107,996,432
TOTAL	-	107,996,432

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Balance Sheet)

I. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention and in accordance with the Companies Act, 1956 and the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 (Indian GAAP) as adopted consistently by the Company.

2. Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP, which requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognized in the period in which the results are ascertained.

3. Cash Flow Statement

Cash flow statement is prepared in accordance with AS - 3 of Companies (Accounting Standards) Rules, 2006 using the indirect method to determine cash flows.

4. Tangible/Intangible Assets

a) Tangible and Intangible fixed assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of an asset comprises of its purchase price and any directly attributable costs of bringing the assets to working condition for its intended use. The foreign exchange fluctuation arising out of purchase of asset is adjusted in the Profit and Loss Account. Interest on loan taken for the acquisition of qualifying assets up to the date of commissioning of assets is added to the cost of assets.

b) Technical knowhow, computer software and film rights are considered as intangible assets.

5. Investments

Investments that are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at lower of cost or fair value.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Annexure B)

6. Inventories

Inventories comprising of Traded goods (Readymade Garments, Packed Foods & Soft drinks) Stores and Spares, Fuel (for maintenance) and construction materials in hand are valued at lower of cost or net realizable value. Cost of Traded goods is ascertained on FIFO method. Cost of Stores and Spares, Fuel (for maintenance) and construction materials in hand is ascertained on Weighted Average Method.

Stock of Food and Beverages and Stores and Operating supplies are carried at cost or net realisable value, whichever is lower. Cost has been ascertained on weighted average basis.

7. Revenue Recognition

- Entry Charges are recognized at the time when boarding passes 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.
- Income from Rooms, Restaurants and Other Services comprise of rent of rooms, sales of food and beverages and other allied services relating to resort operations. Revenue is recognised 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.

8. Employee Benefits

a. Employee Benefits

The amounts paid/payable on account of short term employee benefits, comprising largely of salaries & wages, short term compensated absences and bonus is valued on an undiscounted basis and charged to the Profit and Loss account for the year.

b. Defined Contribution Plans

The company has defined contribution plans for its employees comprising of Provident Fund. The annual contribution to Employees Provident fund organization during the year is charged to Profit and Loss Account for the year. The company has no other obligation in this regard.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to next page)

a. Defined Benefit Plans

i) Gratuity

The company's Gratuity scheme is administered through the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Profit and Loss account for the period in which they occur.

ii) Compensated absences

The company has a scheme for compensated absences for employees, the liability other than for short term compensated absences is determined on the basis of an independent actuarial valuation carried out at the end of the year, using projected unit credit method. Actuarial gains and losses are recognised in full in the Profit and Loss account for the period in which they occur.

9. Foreign Currency Transactions

The foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are restated at the applicable exchange rates prevailing as at the Balance Sheet date. Gain/loss arising from such restatement as also on settlement of the transactions is adjusted in the Profit and Loss account.

10. Leases

Assets acquired under finance lease are recognized at the lower of fair value of 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.

11. Borrowing costs

Borrowing Costs directly attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of the assets. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

12. Depreciation/Amortization

Depreciation/amortisation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except in the case of following assets, which are depreciated based on their useful life as estimated by the management.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Annexure to Indian Report)

Assets	Estimated Useful Life(Years)	Depreciation (SLM Rate)
Water based amusement facilities	06	15.83%
Land based amusement facilities	10	09.50%
Road, Walls and fencing and Buildings inside the park	25	03.80%
Gardening & Landscaping	05	19.00%
Temporary Canopy	06	15.83%
Pre-used Equipments	03	33.33%
Computer Software	06	15.83%
Film Rights	02	50.00%
Technical Know how	10	09.50%

Depreciation on assets added/ disposed off during the year has been provided for on pro rata basis with reference to month of addition/ disposal.

Assets individually costing less than Rs.5,000/- are depreciated fully in the year of purchase/acquisition.

13. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

14. Income Tax

Tax expense comprising current tax and deferred tax are recognized in the Profit and Loss account for the year.

Current Tax is the amount of Income Tax determined to be payable in respect of taxable income as computed under the Tax laws taking into account various reliefs and concessions as may be available to the company.

Certain items of income and expenditure are not reported in tax returns and financial statements in the same period for the purpose of determining the current tax. The net tax effect calculated at the current enacted tax rates of this timing difference as also that relating to carried forward unabsorbed depreciation and business loss as at the end of an accounting year is reported as deferred income tax assets / liabilities. When there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. The effect on deferred tax assets and liabilities due to change from such assets/ liabilities as at the end of previous accounting year and due to a change in tax rates are recognized in the income statement of the year.

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 28

Significant Accounting Policies and Other Notes to Accounts

Continued in Annex Report

15. Earnings per share

Basic Earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted Earnings per share reflect the potential dilution that could occur if securities or contracts to issue equity shares were exercised or converted during the year.

16. Provisions and contingencies

Provisions for losses and contingencies arising as a result of past event where management considers it probable that a liability may be incurred are made on the basis of reliable estimates of the expenditure required to settle the present obligation on the balance sheet date and are not discounted to its present value. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities to the extent management is aware, are disclosed by way of notes to accounts.

II. OTHER NOTES TO ACCOUNTS

1. Contingent Liabilities and Commitments:

A. Contingent Liabilities

a) Claims against the company not acknowledged as debt:-

i. Disputed Taxes

Sl. No.	Particulars	2011-12	2010-11
i)	Special Entry Tax demand pending on appeal (the disputed tax is fully paid)	5,34,767	5,34,767
ii)	Income tax demands pending on appeal (Demand fully paid)	14,68,732	14,68,732
iii)	Entertainment Tax	9,89,298	9,89,298
iv)	Interest on Water Cess	1,67,309	-
v)	Service tax demand pending on appeal	99,62,291	-
	Total	1,31,22,397	29,92,797

b) Claims for compensation – Rs 17,28,000 (PY 17,28,000)

c) Guarantee issued by bank on behalf of the company to KSEB Rs. 10,38,375/- (Refer Note 13)

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Amounts in Indian Rupees)

B. Commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31.03.2012 aggregated to Rs 16,82,54,304/- (PY Rs. 12,07,59,000).
2. Advances include an amount of Rs. 1,27,03,177/- due from a foreign vendor who has gone into liquidation and hence fully provided for. Pending approval of Reserve Bank of India, both advance and provision is carried forward and not netted off.
3. 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.

The difference between the demand raised and the tax paid on the basis of the Tribunal Order for the earlier years is disclosed as contingent liabilities.

4. Employee Benefits

Disclosures required under Accounting Standard 15 - "Employee Benefits" (Revised 2005)

a. Defined Contribution Plans

During the year the following amounts have been recognised in the Profit and Loss Account on account of defined contribution plans.

Particulars	2011-12	2010-11
Employers contribution to Provident Fund	81,34,626	47,61,890

b. Defined Benefit Plans

Gratuity- Funded

Compensated absences-Unfunded Obligation

Particulars	2011-12		2010-11	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1. Actuarial Assumptions				
Discount Rate (Per annum)	8.5%	8.5%	8 %	8.00%
Expected return on	8%	NA	8%	NA

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Amount in Indian Rupees)

plan assets				
Salary escalation rate*	3%	3%	3%	3%
Retirement Age	58	58	58	58

*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

Particulars	2011-12		2010-11	
	Gratuity	Leave Encashment/ Compensated absences	Gratuity	Leave Encashment/ Compensated absences
II Reconciliation of present value of obligation				
Present value of obligation at the beginning of the year	74,23,516	41,59,428	53,18,476	37,63,416
Current Service Cost	15,06,437	21,03,435	23,04,615	17,60,457
Past service cost	-	-	-	-
Interest Cost	6,11,228	2,85,474	4,03,090	2,41,324
Actuarial (gain)/loss	(11,30,296)	2,87,260	(42,954)	(1,12,039)
Benefits Paid	(4,65,185)	(13,66,532)	(5,59,711)	(14,93,730)
Curtailments(if applicable)	-	-	-	-
Settlements(if applicable)	-	-	-	-
Present value of obligation at end of the year	79,45,700	54,82,065	7,423,516	41,59,428

Particulars		Gratuity 2011-12	Gratuity 2010-11
III Reconciliation of fair value of plan assets			
Fair value of plan assets at the beginning of the year		55,35,431	42,94,128
Expected return on plan assets)		5,52,227	453,193
Actuarial gain / (loss)		4550	30,354
Contributions		32,00,000	13,17,477
Benefits paid		(4,65,185)	(5,59,711)
Assets distributed on settlement (if applicable)		-	-
Fair value of plan assets at end of the year		58,27,023	55,35,431

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Annexure A)

Particulars		Gratuity 2011-12	Gratuity 2010-11
IV	Description of Plan Assets		
	Government of India Securities	-	-
	Corporate Bonds	-	-
	Special Deposit Scheme	-	-
	Group Gratuity cash accumulation scheme of Life Insurance Corporation of India	88,27,023	55,35,431
	Grand Total	88,27,023	55,35,431

	Particulars	2011-12		2010-11	
		Gratuity	Leave Encashment/ Compensated absences	Gratuity	Leave Encashment/ Compensated absences
V	Net (Asset)/Liability recognised in the Balance Sheet as at year end				
	Present value of obligation at end of the year	79,15,700	54,82,065	74,23,516	41,59,429
	Fair value of plan assets at end of the year	88,27,023	-	55,35,431	-
	Net present value of funded/unfunded obligation recognised as liability in the Balance Sheet	-	54,82,065	18,88,085	41,59,429

VI	Particulars	2011-12		2010-11	
		Gratuity	Leave Encashment/ Compensated Absences	Gratuity	Leave Encashment/Com pensated Absences
	Expenses recognised in the Profit and Loss Account				
	Current Service Cost	15,08,437	21,06,135	23,04,615	17,80,457
	Interest Cost	6,11,228	2,95,474	4,03,090	2,41,324
	Past service cost	-	-	-	-
	Expected return on plan assets	(5,52,227)	-	(3,79,718)	-
	Actuarial (gain)	(11,34,846)	267260	(73,308)	(1,12,039)

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Indirect Expenses)

Loss recognised in the period				
Curtailment cost (if applicable)	-	-	-	-
Settlement cost (if applicable)	-	-	-	-
Total expenses recognised in the Profit and Loss Account for the year	4,30,592	26,89,169	2,254,678	18,89,742

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

*The not funded obligation of gratuity being an asset with the Gratuity Trust is not recognized in the balance sheet.

5. There were no dues outstanding to Micro, Small and Medium enterprises to the extent that such parties have been identified from available information.
6. In the opinion of the Board of Directors of the company all the assets other than fixed assets have a value on realization in the ordinary course of business atleast equal to the amount at which they are stated in these financial statements.
7. Foreign Exchange exposure not hedged by derivative instruments or otherwise (net).

Nil

8. The particulars of expenditure capitalized during the year relating to the Resort:-

Particulars	2011-12	2010-11
Expenses brought forward from previous year	31,31,912	-
Expenses for the year:-		
Travel Expenses	193,860	-
Professional Fee	38,67,722	18,42,893
House Keeping Expenses	198,540	-
Advertisement	361,576	-
Rates, Taxes and Licence fee	-	12,40,800
Interest on loan	53,27,831	48,219
Trial Running Expenses	7,22,453	-
Total expenses for the year	1,08,71,782	31,31,912
Expenses capitalized during the year	1,38,03,694	-
Expenses carried forward	-	31,31,912

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Annex A)

9. Segment Disclosures

- Business segments have been identified in line with Accounting Standards on Segment Reporting (AS -17) taking into account the nature of business, internal reports, organization structure etc.
- The company has considered business segment as the primary segment for the purpose of disclosure.
- Types of products in each Business Segment:

Business Segment	Nature of products or services
Amusement Park	Entrance fee and other directly related income.
Traded Goods	Readymade garments, packaged foods, soft drinks and other goods sold in the amusement park
Resort	Room Rent, Food & Beverage Sales

- The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.
- Primary Business Segment information:-

Particulars	Primary Segments			Total
	Amusement Park	Traded Goods	Resort	
RESULT				
Segment Revenue	1,04,20,91,734 (82,47,56,151)	8,91,12,260 (7,39,09,723)	66,380 (-)	1,13,19,70,374 (89,87,65,874)
Segment Result	43,89,02,365 (33,60,88,523)	3,31,55,060 (2,71,24,950)	-1,45,59,727 (-)	45,74,07,698 (36,22,13,478)
Less: Interest and Financial Charges	-	-	-	1,13,29,301 (4,05,31,997)
Add: Interest Income	-	-	-	4,18,527 (4,65,366)
Less: Unallocable expense	-	-	-	1,98,11,704 (1,52,32,466)
Add: Unallocable income	-	-	-	1,19,02,927 (12,02,83,744)
Profit before tax	-	-	-	43,86,76,126 (42,72,02,046)
Segment Assets	1,11,62,96,954 (98,90,10,069)	55,38,008 (45,25,447)	27,48,62,552 (7,09,12,813)	1,39,66,97,514 (1,08,44,48,329)

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

Amounts in Indian Rupees

Particulars	Primary Segments			
	Amusement Park	Traded Goods	Resort	Total
Segment Liabilities	28,06,07,741 (33,55,29,506)	38,51,558 (33,58,692)	17,48,36,133 (1,00,00,000)	45,93,85,432 (34,88,88,198)

(Figures in brackets relate to previous year)

Capital employed, assets and liabilities relating to the above segments to the extent identified and ascertained has been disclosed.

(f) Secondary Segment Information

The company's operations are entirely in India.

10. Related party disclosures

a) The Related Parties of the Company are follows:

	Nature of relationship	Name of the Related Party
(i)	Persons having direct interest in the voting power of the Company that gives them control	Mr. Kochouseph Chittilappilly, Vice Chairman Mrs. Sheela Kochouseph, Wife of Mr. Kochouseph Chittilappilly and a shareholder of the Company. Mr. Arun K. Chittilappilly, Managing Director and Son of Mr. Kochouseph Chittilappilly. Mr. Mithun K. Chittilappilly, Son of Mr. Kochouseph Chittilappilly and a shareholder of the Company. Mrs. Priya Sarah Cheeran Joseph, Director and wife of Mr. Arun K. Chittilappilly
(ii)	Enterprises under the common control of persons having control over the Company	M/s. V-Guard Industries Limited M/s. V-Star Creations Private Limited M/s. Veegaland Developers Private Limited.
(iii)	Key Management Personnel	Mr. Kochouseph Chittilappilly, Vice Chairman Mr. Arun K Chittilappilly, Managing Director Mrs. Priya Sarah Cheeran Joseph, Director Mr. R S Raghavan, Director (upto 01.08.2011) Mr. George Joseph – Chairman (w.e.f 12.09.2011)
(iv)	Trust in which key management personnel is a Trustee	M/s. Thomas Chittilappilly Trust

b) Related Party Transactions

The nature and volume of transactions during the year with the related parties are as follows:



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Amounts in Indian Rupees)

Nature of transactions	Name of Related Party	2011-12	2010-11
1. Rent received			
	V-star creations Private Limited	62,634	92,143
2. Salary, Commission and Perquisites			
	Kochouseph Chittilappilly	81,65,198	-
	Arun Chittilappilly	38,28,591	24,40,265
	Priya Sarah Cheeran Joseph	36,49,550	22,80,000
	R S Raghavan	12,40,291	5,22,002
	George Joseph	8,75,000	-
3. Interest on unsecured loan			
	Arun Chittilappilly	-	18,11,240
	Mithun Chittilappilly	-	29,06,740
	Sheela Kochouseph	-	45,39,620
	Priya Sarah Cheeran Joseph	-	3,84,879
	Kochouseph Chittilappilly	-	62,14,013
4. Unsecured loans and interest (net of TD5) paid			
	Arun Chittilappilly	-	2,64,13,556
	Priya Sarah Cheeran Joseph	-	60,13,761
	Mithun Chittilappilly	-	3,62,06,953
	Sheela Kochouseph	-	5,98,51,092
	Kochouseph Chittilappilly	-	9,11,10,822
5. Dividend			
	Arun Chittilappilly	1,18,65,300	1,18,65,300
	Mithun Chittilappilly	94,05,000	94,05,000
	Sheela Kochouseph	1,18,04,100	1,18,04,100
	Kochouseph Chittilappilly	2,76,74,850	2,76,74,850
	Priya Sarah Cheeran Joseph	22,50,000	22,50,000
6. Donation			
	Thomas Chittilappilly Trust	-	50,00,000
7. Sale of intangible Assets			
	Veegaland Developers Pvt Ltd.	30,00,000	1,300
Balance at the yearend:-			
1. Dividend payable			
	Arun Chittilappilly	1,18,65,300	1,18,65,300
	Mithun Chittilappilly	94,05,000	94,05,000
	Sheela Kochouseph	1,18,04,100	1,18,04,100
	Kochouseph Chittilappilly	2,76,74,850	2,76,74,850
	Priya Sarah Cheeran Joseph	22,50,000	22,50,000

WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Amounts in Indian Rupees)

Nature of transactions	Name of Related Party	2011-12	2010-11
2. Payables			
	Knohuseph Chitilappilly	45,65,196	-
	Arun Chitilappilly	13,69,559	-
	Priya Sarah Cheeran Joseph	13,69,559	-
3. Receivables			
	V-star creations Private Limited	2,653	3,680

11. Professional fees include the followings payments to Statutory Auditors:
(Including service tax)

Particulars	2011-12	2010-11
As auditor	6,74,160	6,61,800
For taxation matters including tax Audit	2,02,248	1,98,540
For other services	85,540	1,96,888
Reimbursement of out of pocket expenses	45,004	15,168

12. CIF Value of Imports

Particulars	2011-12	2010-11
Capital goods	83,11,366	1,45,11,934
Components and Spares	1,25,10,983	22,57,821
Total	2,08,22,349	1,67,69,755

13. Expenditure in Foreign Currencies

Particulars	2011-12	2010-11
Travelling Expense	10,79,624	5,11,180
Others	-	66,267
Total	10,79,624	5,77,447



WONDERLA HOLIDAYS PRIVATE LIMITED

Notes forming part of accounts for the year ended 31st March 2012

NOTE 29

Significant Accounting Policies and Other Notes to Accounts

(Continued to Further Report)

14. Stores and Spares Consumed

Particulars	2011-12	2010-11
Imported	46,67,260	13,75,260
Imported % to total	30.68%	14.37%
Indigenous	1,05,53,057	80,02,103
Indigenous % to total	69.34%	85.33%
Total	1,52,20,317	93,77,363

15. Previous year figures have been re-grouped and re-classified wherever necessary, in order to conform to the current year's presentation consequent to revision to Schedule VI to Companies Act 1956.

Signature of Notes 1 to 29

As per our report of even date attached

For VARMA & VARMA
Chartered Accountants
FIRN 004532S

Sd/-
Arun K. Chittilappilly
Managing Director

Sd/-
George Joseph
Chairman

Sd/-
Santosh Kumar Barik
Company Secretary

Sd/-
Cherlan K Baby
Partner
M No. 16043

Place : Bangalore
Date : 30th June 2012

Place : Bangalore
Date : 30th June 2012

WONDERLA HOLIDAYS PRIVATE LIMITED
Reg. Office: Jadenahalli, Hejjala.P.O, 28th K.M, Mysore Road, Bangalore-562109

ATTENDANCE SLIP

Name & Address of the shareholder

Master Folio Number

Number of Share(s) held

I hereby record my presence at the TENTH ANNUAL GENERAL MEETING of the Company at the Registered Office of the Company at Jadenahalli, Hejjala.P.O, 28th K.M, Mysore Road, Bangalore-562109, on Thursday, the 9th August, 2012 at 11.30 A.M.

Signature of the attending member or Proxy

TEAR HERE

WONDERLA HOLIDAYS PRIVATE LIMITED
Reg. Office: Jadenahalli, Hejjala.P.O, 28th K.M, Mysore Road, Bangalore-562109

PROXY FORM

I/We.....of.....in the district of.....being a member / members of the above named company, hereby appoint.....of.....in the district of.....or failing him.....of.....in the district of.....as my/our Proxy to attend and vote for Me/us and on my/our behalf of the Company at Jadenahalli, Hejjala.P.O, 28th K.M, Mysore Road, Bangalore-562109, on Thursday, the 9th August, 2012 at 11.30 A.M., and at any adjournment thereof.

Signed thisday of.....2012

Reference Folio:

No. of Shares:

Affix a 1/-
Rupee
Revenue
Stamp

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.



**Inauguration of XD Max
ride at Wonderla, Kochi**



**School Uniforms, books & bags distribution
Program held at Wonderla, Bangalore
as part of the CSR initiative**



**Winners receiving
Wonderla Environment &
Energy Conservation
Award at
Wonderla, Kochi**



**Wonderla Week of Fun prize
distribution program at
Wonderla, Bangalore**



Wonderla Environment & Energy Conservation Award distribution ceremony held at Wonderla, Kochi



National Flag hoisting by Mr. Arun K Chittilappilly, Managing Director at Wonderla, Bangalore



Inauguration of Wonderla Bamba at Wonderla, Kochi



Training of staff by Mr. Sivadas.M, SGM at Wonderla, Bangalore



THE AMUSEMENT PARK
KOCHI



A Luxury Resort at
India's Favourite Amusement Park

